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ABSTRACT

Part four in a series of elementary level economics and consumer education teaching resources, this guide is designed for use with fifth and sixth graders. The first section identifies concepts and related objectives, defines relevant terms, and lists audiovisual and print resources related to each concept. Key concepts include basic economic principles and the role of the individual within our economic system. Specific consumer education topics for this level include banking, credit, savings, and taxes. The bulk of the document contains activities grouped according to specific concepts and related educational objectives. The activities include group and individual projects ranging from creative writing to community interviews and fill-in-the-blank questionnaires. Some of the written exercises can be used as evaluation items. One activity involves students in a week-long analysis of television and newspaper advertising. Students record information about where the ads were seen and what types of advertising were used. Then they discuss what the ads promise, whether the promises meet student/consumer needs, whether more information is needed, and where the student/consumer can verify reputability of the advertisers. Each series of activities is accompanied by a listing of relevant children's literature and Florida state-adopted textual resources. (AV)

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ECONOMIC EDUCATION

IN THE

ELEMENTARY SCHOOLS

LEVEL 4

SOCIAL STUDIES OFFICE

DIVISION OF INSTRUCTIONAL PLANNING AND SUPPORT

DADE COUNTY PUBLIC SCHOOLS

MIAMI, FLORIDA

1977

SO 010 708

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I. INTRODUCTION -- (K-3) (4-6)

As Americans, we participate in an economic system each day. The entrepreneur who invests capital, the consumer who comparison shops, and the school-aged child who swaps an apple for an orange are participating in the same fundamental principles that make up our economic system.

Aristotle once said:

> *All who have meditated on the art of governing mankind have been convinced that the fate of empires depends on the education of youth . . .*

This instructional guide is one step toward the education of our youth in key concepts of economics and consumer education.

Included in this guide are objectives for key economics and consumer education concepts. These objectives are derived from the State Department of Education pursuant to the passage of the Free Enterprise and Consumer Education Act of 1974 and its Amendment in 1975. Learning activities, suggestions for instructional implementation, specific textual resources and, in some instances, students' literature resources are listed for each concept. All are written in common terminology rather than the jargon of the economist. After reading these, teachers should be able to immediately begin economics/consumer education instruction.

The sequence of the economics/consumer education concepts flows from the basic element, the individual (personal needs, wants, and choices) to the American society's economic system (free enterprise) and its component parts, and finally to how the individual operates within this system (consumer education).

The learning experiences for the economics/consumer education concepts are divided into four levels of difficulty:

Level 1	*Kindergarten - Grade 1 (approximately)*
Level 2	*Grades 2 and 3 (approximately)*
Level 3	*Grade 4 (approximately)*
Level 4	*Grades 5 and 6 (approximately)*

Since a variety of activities is provided for each concept and objective, the teacher may select those most appropriate for a particular class or may choose to select all of the given learning activities.

In order for the teacher to assess whether a student has mastered a particular objective or concept, any of the given learning activities which the teacher feels are appropriate can be used for the purposes of evaluation.

This guide was produced with the assistance of a grant through the cooperation of the Florida Department of Education and the Florida Council on Economic Education.

II. GOALS -- (K-3) (4-6)

A. The student will discover that satisfying individuals' material wants and needs for goods and services is the function of our economic system.

B. The student will examine the basic component parts of our economic system.

C. The student will examine and evaluate how the individual operates within our economic system (including some responsibilities and choices necessary to make wise use of the consumer's money).

III. OUTLINE OF INSTRUCTIONAL GUIDE -- (K-3) (4-6)

A. The individual as the basis for our economic system. (K-6)
   Scarcity

B. The component parts of our economy. (K-6)
   1. Exchange and money
   2. Consumption
   3. Production
   4. Distribution
   5. Specialization
   6. Economic Interdependence
   7. Free enterprise

C. Consumer Education Topics (K-3)
   1. Advertising
   2. Banking
   3. Budgeting
   4. Taxes

D. Consumer Education Topics (K-4)
   1. Advertising
   2. Banking
   3. Budgeting
   4. Credit
   5. Insurance
   6. Savings
   7. Taxes

IV. ECONOMIC OBJECTIVES — (K-3)

A. The individual as the basis of our economic system.

Scarcity

a. The student will discriminate between needs and wants.

b. The student will define scarcity as not being able to satisfy all our wants.

c. The student will be able to identify a foregone opportunity, after making a choice.

d. The student will recognize that certain resources are more scarce than others.

B. The component parts of our economic system.

1. Exchange and money

a. The student will define trade as the exchange of goods or services one has for goods and services of others.

b. The student will identify simple examples of trade.

c. The student will state the consequences on people if there were no trade.

d. The student will define exchange in terms of using money to secure what he/she wants.

e. The student will cite instances in which he/she has taken part in exchange.

2. Consumption

a. The student will define consumption as the using up of goods and services.

b. The student will discriminate between goods and services.

c. The student will list personal examples of goods that are consumed quickly and others that are used up slowly.

3. Production

a. The student will define production as the making of goods and services to be used by consumers.

b. The student will distinguish between producers of goods and producers of services.

c. The student will name people he/she knows who are producers, and distinguish them from those who are not producers.

4. Distribution - The student will define distribution as the making available of products to the consumer.

5. Specialization

   a. The student will define specialization as meaning that people spend most of their working time doing one particular job.

   b. The student will cite examples of specialized errands performed by people in the community.

   c. The student will list local businesses or employees who have moved toward specialization (as well as those who continue to be general in their work).

6. Economic Interdependence

   a. The student will define interdependence as taking place when people divide tasks to help each other get what they want.

   b. The student will name people in the home, school, or community who are interdependent.

7. Free Enterprise

   a. The student will be able to distinguish between private and public property.

   b. The student will define the private ownership of property as the basis of free enterprise.

C. Consumer Education Topics

1. Advertising - The student will recognize that advertising is used to attempt to sell products to consumers.

2. Banking

   a. The student will be able to distinguish between saving money in a financial institution and savings kept at home.

   b. The student will define interest as the reward paid for saving in a bank rather than consuming.

3. Budgeting - The student will decide how to use a gift of money.

4. Taxes - The student will be able to define income taxes as deductions from wages which are paid to the government.

IV. ECONOMIC OBJECTIVES -- (4-6)

A. The individual as the basis of our economic system.

Scarcity

a. The student will define the condition of scarcity in our economic system as resources not available in sufficient quantity to satisfy the wants of all the people.

b. The student will identify resources for which a scarcity problem exists because demand is greater than supply.

c. The student will identify particular scarce elements among the world's resources and also determine those that are plentiful.

d. The student will identify the uneven distribution of natural resources and demonstrate that some may be scarce in one place and not in another.

B. The component parts of our economic system.

1. Exchange and money

a. The student will define trade or exchange as the process of transferring goods and services among individuals and groups.

b. The student will identify examples of monetary exchange.

c. The student will classify the economic roles which are involved in exchange, i.e., producer, consumer.

2. Consumption

a. The student will define consumption as the utilization of goods and services for the purpose of satisfying ones needs and wants.

b. The student will determine how consumption of goods and services affects production.

3. Production

a. The student will define production as the making of both production and consumption goods as well as services; and state that production goods are used to increase the production of consumption goods.

b. The student will identify persons who are producers and persons who are not producers.

c. The student will examine various factors contributing to a producer's profit.

4. Distribution

a. The student will define distribution as the process by which the production of a society is distributed among the citizens.

b. The student will identify statements that are exemplary of income distribution.

4. c. The student will cite evidence to support or refute the hypothesis that goods and services are distributed to those who are not producers.

5. Specialization

   a. The student will define specialization as the means by which individuals, groups, or societies concentrate on one job and do it efficiently (instead of trying to do all jobs).

   b. The student will discriminate between situations in which change is toward specialization and those where it is not.

   c. The student will examine the hypothesis that increased specialization provides a higher standard of living through increased productivity.

6. Economic Interdependence

   a. The student will define economic interdependence as the conditions under which specialized people work together and depend on each other in order to meet their needs and wants.

   b. The student will discriminate between persons that are and are not engaged in activities that demonstrate interdependency.

   c. The student will examine the hypothesis that an action by one person will affect other persons who are dependent upon that person.

7. Free Enterprise

   a. The student will define free enterprise as being based on the idea that people can invest capital in businesses in order to try to earn a profit.

   b. The student will distinguish between individual enterprise and government ownership of the means of production.

C. Consumer Education Topics

1. Advertising - The student will classify examples of different advertising techniques.

2. Banking - The student will identify different types of services that financial institutions provide.

3. Budgeting - The student will demonstrate that he/she can prepare a budget based upon income earned from chores or a weekly allowance.

4. Credit - The student will explain the advantages and disadvantages of buying on credit (costs and benefits).

5. Insurance - The student will distinguish between automobile, health, life, and other types of insurance.

6. Savings - The student will explain why savings are necessary to an economic system where economic growth is an important goal.

7. Taxes - The student will distinguish between different types of taxes paid by the consumer and identify which are state and which are federal taxes.

V. CONCEPTS: A DEFINITION — (K-3) (4-6)

1. SCARCITY: We cannot have everything we want. This is true whether in reference to individuals or nations. We have many wants and needs, but we must choose what we want and/or need most.

2. EXCHANGE and MONEY: Exchange - Money or goods can be traded for goods and services we need or want. Money - In most societies, money serves as a medium of exchange. As such, money also serves as a measure of value.

3. CONSUMPTION: We use up goods and services to satisfy our wants and needs. The process of satisfying our wants and needs is termed consumption. The people whose wants and needs are satisfied are consumers.

4. PRODUCTION: We make what the consumer wants. What we make is termed products. The term products refers to both goods and services.

5. DISTRIBUTION: We have the product where the consumer wants it.

6. SPECIALIZATION: We work at one job to provide or to help provide a product. For our work we receive wages.

7. ECONOMIC INTERDEPENDENCE: We exchange our wages for products made by other people. In this way, we are helping other people achieve their needs and wants (for they receive wages for producing their goods or services), and other people help us to attain our needs and wants.

8. FREE ENTERPRISE: In a free enterprise economy individuals must, first of all, be able to own private property. A free enterprise economy is one in which private citizens (either as individuals or grouped together as corporations, partnerships, or cooperatives) are free to invest in businesses or go into business themselves.

9. CONSUMER EDUCATION TOPICS - (K-3 ONLY)

   a. ADVERTISING: A means used to attempt to interest consumers in buying a product.

   b. BANKING: Saving in a financial institution and being given a reward by that institution for saving rather than consuming. The reward is in the form of interest (money) paid relative to the amount of money saved.

   c. BUDGETING: Deciding what to do with monies received.

   d. TAXES: An amount of money paid to the government in return for services provided by the government.

10. CONSUMER EDUCATION TOPICS - (4-6 ONLY)

   a. ADVERTISING: A means used to attempt to interest consumer in buying a product.

   b. BANKING: Different types of financial institutions provide different services either to individuals or to businesses.

V. CONCEPTS: A DEFINITION (CONT'D)

10. c. BUDGETING: A balancing of the money an individual has and the expenses that the individual chooses to (or must) make.

d. CREDIT: Trust extended to a consumer in the expectation that the consumer will pay in the future for goods and services received now. The consumer also pays for this "trust" in the form of extra money (above the regular selling price) paid to the seller. This extra money is termed interest.

e. INSURANCE: A guarantee of financial reimbursement in the event of an accident, illness, death, etc., purchased by the consumer.

f. SAVINGS: Money kept in a financial institution. The consumer is given a reward by that institution for saving rather than consuming. The reward is in the form of interest (money) paid relative to the amount saved and length of time money is kept in the bank.

g. TAXES: amount of money paid to the local, state, or federal governments in return for services provided by the government.

VII. GLOSSARY -- (K-3) (4-6)

ASSEMBLY LINE
A production method using interchangeable parts in which each worker does one part of the total assembly job.

BANK
A business firm which deals in money.

BARTER
An exchange or trade of goods or services made without the use of money.

BUDGET
A plan for spending and saving money.

CAPITAL
The tools, money, and equipment used in a business.

CAPITAL GOODS OR CAPITAL RESOURCES
The tools, machinery, or equipment used in a business. Also referred to as <u>production goods</u>.

COMMODITY
A thing of value or use; an economic good.

CONSUME
To buy and use goods and services.

CONSUMERS
People who purchase and use goods and services.

COST OF LIVING
The amount of money needed to buy the goods and services required to maintain a certain standard of living.

CREDIT
The promise to pay or repay at a future date in exchange for the immediate receipt of goods, services, or money.

DEPOSIT
Money accepted by a bank from people for safekeeping.

DEPOSITOR
A person who has money on deposit in a bank.

ECONOMIC GEOGRAPHY
The study of people's environment in relation to their economic activity.

ECONOMICS
The study of the conditions and laws affecting the production, distribution, and consumption of resources.

VII. GLOSSARY (CONT'D)

ENDORSEMENT
The payee's signature on the back of a check.

ENTREPRENEUR
The organizer of a business.

ENVIRONMENT
People's physical surroundings.

EXPORTS
Goods sent from a country or area to another country or area.

GOODS
Tangible objects which are desired by consumers.

HUMAN RESOURCES
The people of a country; their energy and work. Mental and physical labors of people.

IMPORTS
Goods grought into a country or area from another country or area.

INCOME TAX
An amount of money paid to the government based on wages or salaries earned.

INSURANCE
Protection against unexpected losses, accidents, or damages.

INTEREST
Money earned by depositors as well as money paid by borrowers.

INTERNATIONAL TRADE
Buying and selling of goods and services between different countries.

LABEL
The information on a product which tells truthfully the contents, amount, and maker of the item as well as other information useful for the consumer.

LABOR
Physical work

LABOR FORCE
The total number of workers in a country, an industry, or in a particular area.

LOAN
Money borrowed by people or businesses from a bank.

MASS PRODUCTION
The method of making things in large quantities.

VII. GLOSSARY (CONT'D)

NATURAL RESOURCE
Any resource provided by nature such as soil, forests, minerals, water supply, and wild game.

PAYEE
The party to whom a check is made payable.

POLICY (INSURANCE)
An agreement between an insurance company and the person buying the protection listing all rules, regulations, and conditions

PRICE
The cost of an item. The amount of money paid by a consumer for goods or services.

PRIVATE OWNERSHIP
Owned by individuals or groups of individuals.

PRODUCERS
Companies and businesses which make and sell products.

PRODUCTION
The making of goods or the supplying of a service.

PRODUCTION GOODS
The tools, machinery, or equipment used in a business. Also referred to as Capital Goods or Capital Resources.

PROPERTY TAX
An amount of money paid according to the value of house, building, and/or land.

PUBLIC OWNERSHIP
Owned by the government for the use of all people.

SALARIES
Money paid to people in exchange for their services and skills. Also referred to as wages.

STANDARD OF LIVING
The average manner of day-to-day living of a country, group, or individual, with reference to food, housing, clothing, comforts, etc.

TAXES
Government revenue which comes from payments made by citizens from special assessments.

WAGES
Money paid to people in exchange for their services and skills.

VIII. GENERAL RESOURCES -- (K-3) (4-6)

A. AUDIOVISUAL

SCARCITY

Primary and Intermediate Level Films:

Homes Around the World. Universal Education and Visual Arts Company.

The Navaho Indian. Coronet Films.

Shelter. Gateway Films.

Intermediate Level Films:

Indians of California. Part I,"Village Life," Part II, "Food." Charles Cahill and Associates, Inc.

Japanese Family. International Films Foundation.

Mexican Village Family. Paul Hoefler Films.

Shelter. Encyclopedia Britannica Educational Corporation.

EXCHANGE AND MONEY

Intermediate Level Films:

Money Talks. American Bankers

Story of Money. International Film Bureau Incorporated.

What Is Money? Coronet Films.

Intermediate Level Filmstrips:

Why We Use Money. Learning Corporation of America.

PRODUCTION

Primary Level Films:

Grandmother Makes Bread. Bailey Films.

Primary and Intermediate Level Films:

Colonial Children. Encyclopaedia Britannica Educational Corporation.

Colonial Living. International Film Bureau, Incorporated.

Dairy Industry. Carl F. Mahnke

How Machines and Tools Help Us. Coronet Films.

Machines That Help the Farmer. Film Associates Incorporated.

The Story of Citrus Fruits. Coronet Films.
Workers Series. Coronet Films. (Soundstrip)

Intermediate Level Films:
Clothes We Wear. Church-Wex.
Clothing. Encyclopaedia Britannica Educational Corporation.
Corn Belt, The. Indiana University.
Cotton Belt Yesterday and Today, The. Indiana University.
Copper Mining. Pat Dowling.
Factory, The. Films Associates.
Inventions in America's Growth, 1750-1850. Coronet Films.
Inventions in America's Growth, 1850-1910. Coronet Films.
Meat From Range to Market. Encyclopaedia Britannica Educational Corporation.
Our Natural Resources. Pat Dowling.
Port Everglades. Calvin Company.
Sharing Economic Risks. Coronet Films.
Whitney, Eli, Invents the Cotton Gin. McGraw-Hill.

SPECIALIZATION
Primary Level Films:
City Fire Fighters. Coronet Films.
Fathers Go Away to Work. Pat Dowling.
Helpers in Our Community. Coronet Films.
Helpers Who Come to Our House. Coronet Films.
What Do Fathers Do? Church Films.

Primary and Intermediate Level Films:
Doctor, The. Encyclopaedia Britannica Educational Corporation.
Fireman, The. Encyclopaedia Britannica Educational Corporation.
Here Comes the Milkman. Bailey Films.
Mailman, The. Encyclopaedia Britannica Educational Corporation.
People Who Work at Night. Film Associates.
Pioneer Home, A. Coronet Films.

Policeman Walt Learns His Job. Film Associates

Your Fireman. Rivera Production.

Intermediate Level Films:

Farmer, The. Encyclopaedia Britannica Educational Corporation.

Florida Cowboy. Teaching Films Corporation.

Whitney, Eli, Invents the Cotton Gin. McGraw-Hill.

Workers Series. Coronet Films. (Soundstrip)

FREE ENTERPRISE

Primary Level Films:

Food Store, The. Encyclopaedia Britannica Educational Corporation.

Stores in Our Community. Coronet Films.

Primary and Intermediate Level Films:

Farmer Don and the City. Film Associates.

Government. McGraw-Hill.

Our Community. Encyclopaedia Britannica Educational Corporation.

Our National Government. Knowledge Builders.

Rules and Laws. Encyclopaedia Britannica Educational Corporation.

Story of a Wholesale Market. Churchill Films.

What Our Town Does for Us. Coronet Films.

Wholesale Produce Market. Parts 1 and 2. Academy Films.

ADVERTISING

Intermediate Level Filmstrips:

Consumer Advertising Teaching Kit. With Cassette Tape. Proctor and Gamble Company, P.O. Box 14465, Cincinnati, Ohio 45214.

Consumer Education. With Record. Teaching Resources Films, Bedford Hills, New York 10507.

Consumer Education for the Elementary Grades. With Records. Centron Educational Films, 1621 West Ninth Street, Lawrence, Kansas 66044.

Consumer Fights Back. With Cassette Tape. "Fundamental Issues of Our Time," Part 1. Teaching Resources Films, Bedford Hills, New York 10507.

BANKING

Primary and Intermediate Level Filmstrips:

Andy Lends Money to the Bank. WaSP Filmstrips.

What the Bank Does with Andy's Money. WaSP Filmstrips.

Intermediate Level Films:

Using Bank Credit. American Bankers.

TAXES

Primary and Intermediate Level Films:

Government. McGraw-Hill

Our Community. Encyclopaedia Britannica Educational Corporation.

Our National Government. Knowledge Builders.

Rules and Laws. Encyclopaedia Britannica Educational Corporation.

What Our Town Does for Us. Coronet Films.

GENERAL ECONOMICS

Choices and Values. 6 Soundstrips. BFA Educational Media.

Market Economy. 6 Soundstrips. BFA Educational Media.

Primary Economics. 4 Soundstrips. BFA Educational Media.

B. SIMULATION GAMES

Clean Up. Grades 1-3; $5.00. Damon Educational Company, 80 Wilson Way, Westwood, Massachusetts 02090.

Dirty Water. Grades 4-6; $10.00. Damon Educational Company.

Ecology. Grades K-2; $5.00. Damon Educational Company.

Graphigame: Environmental Attitudes. Grades 4-12; $3.75. Educational Ventures, Inc., 209 Court Street, Middletown, Connecticut 06457.

Import. Grades 4-7; $10.00. Simile II, 1150 Silverado, La Jolla, California 92037.

Managing Your Money. Grades 6-12; $2.50. Cuno Mutual Insurance Society, P.O. Box 391, Madison, Wisconsin 53701.

Pink Pebbles. Grades 4-9; $8.00. Educational Ventures, Inc.

Road Game, The. Grades 6-10; $7.95. Herder and Herder, 232 Madison Avenue, New York, New York 10021.

Scarcity and Allocation. Grades 4-12; $5.00. Good Times Educators, c/o Robert Reinke, Route 2, Monticello, Minnesota 55362.

Transportation. Grades 3-6; $16.00. ABT Associates, Inc., 55 Wheeler Street, Cambridge, Massachusetts 02138.

VIII. GENERAL RESOURCES (CONT'D)

C. TEXTUAL RESOURCES

STATE ADOPTED INSTRUCTIONAL MATERIALS:

Taba Program in Social Science. Addison Wesley.

Concepts and Inquiry. Allyn & Bacon.

Exploring the Social Sciences. American Book Company.

Tiegs-Adams Series. Ginn Publishing Company.

Concepts and Values. Harcourt, Brace, Jovanovich.

Holt Data Bank Series. Holt, Rinehart, & Winston.

Windows on Our World. Houghton Mifflin.

Focus on Active Learning. Macmillan Publishing Company.

Man and His World. Noble & Noble.

Our Working World. Science Research Associates.

Social Science Series. Silver Burdett.

D. TEACHER RESOURCES

Bach, G. L. Economics: An Introduction to Analysis and Policy. Englewood Cliffs, New Jersey: Prentice Hall, Inc.

The C.A.S.E. Economic Literacy Series, (revised). A series of texts for use by the teacher in understanding basic economic principles. Designed as a high school economics program, it is useful to the elementary teacher who is introducing economics for the first time. Write for prices: Council for the Advancement of Secondary Education, 1201 16th Street, Northwest, Washington, D.C. 20006.

Gill, R. T. Economics: A Text with Readings. Goodyear Publishing Co., Inc., Pacific Palisades, California.

Gwartney, J. D. Economics: Private and Public Choice. New York: Academic Press.

Hazlitt, Henry. Economics in One Lesson. New York: Manor Books, Inc.

Heyne, P. and T. Johnson. Toward Economic Understanding. Palo Alto, California: Science Research Associates.

Money: Master or Servant? A 48-page illustrated non-technical explanation of the importance of money and banking in the economy. Federal Reserve Bank of New York, 33 Liberty Street, New York, New York 10045.

Samuelson, P.A. Economics: An Introductory Analysis. New York: McGraw-Hill Book Company.

You and Your Money. An elementary booklet showing travels of a "greenback" from consumer to wholesaler to manufacturer and back to the consumer. Federal Reserve Bank of Richmond, Richmond, Virginia 23261.

V'. ACTIVITIES

LEVEL 4 (5, 6)

A. The individual as the basis for our economic system.

Scarcity

a. The student will define the condition of scarcity in our economic system as resources not available in sufficient quantity to satisfy the wants of all the people in the system.

NOTES TO THE TEACHER	ACTIVITIES
The students are to emphasize what resources would be needed in order to satisfy all their needs. Easily used as a text.	1. Have students write a story depicting life in the United States in the year 2000. Include what necessities, luxuries, and services will be like at that time. Further, include how these changed from the present year to the year 2000. 2. DIRECTIONS: Below are descriptions of some food resources for four countries. Place an X beside the country in which there is a SCARCITY PROBLEM for rice. __X__ Country A - Rice and wheat have always been the main food, but now wheat is no longer available. _____ Country B - Rice has always been the main food, but now the people are beginning to eat wheat, also. _____ Country C - Rice and wheat have always been the main food, but corn is becoming popular. _____ Country D - Rice and wheat have always been the main food, but corn is replacing wheat in popularity. 3. DIRECTIONS: Read the three situations below and answer the questions. Place an X beside the correct name. a. Fred has a large piece of wood, but he doesn't know what to do with it. Tony has a big piece, also. He is either going to make a chair or build a dog house. Which person would consider <u>wood</u> to be SCARCE? _____ Fred _____ X _____ Tony

NOTES TO THE TEACHER

ACTIVITIES

3. b. Sumo has a population of sixty-five million people and needs labor for agriculture, industry, business, and services. Turi has population of sixty-five million people and uses almost all of the population for farming.

Which country would consider human labor to be SCARCE?

__X__ Sumo _____ Turi

c. Rosen's Real Estate office has one secretary and one typewriter. Field's Real Estate office has three secretaries and one typewriter.

Which office would consider a typewriter to be SCARCE?

_____ Rosen's __X__ Field's

4. All things are scarce. When things are used or become more useful, then there is a SCARCITY PROBLEM.

DIRECTIONS: Study the chart below. Using the above definition, put an X by the two resources for which there is a SCARCITY PROBLEM.

	RESOURCE	USES IN 1800	USES TODAY
	Gold	Jewelry, Money, Science	Jewelry, Money, Science
X	Oil	Medicine, Lamps	Electricity, Cars, Medicine, Lamps, Planes, Ships
	Horses	Transportation, Food, Entertainment, Farming, Racing	Food Racing Entertainment
	Dogs	Pets, Protection	Pets, Protection
X	Lumber	Heat, Building	Chemicals, Heat, Building

VI. ACTIVITIES

LEVEL 4 (5, 6)

A. The individual as the basis for our economic system.

Scarcity

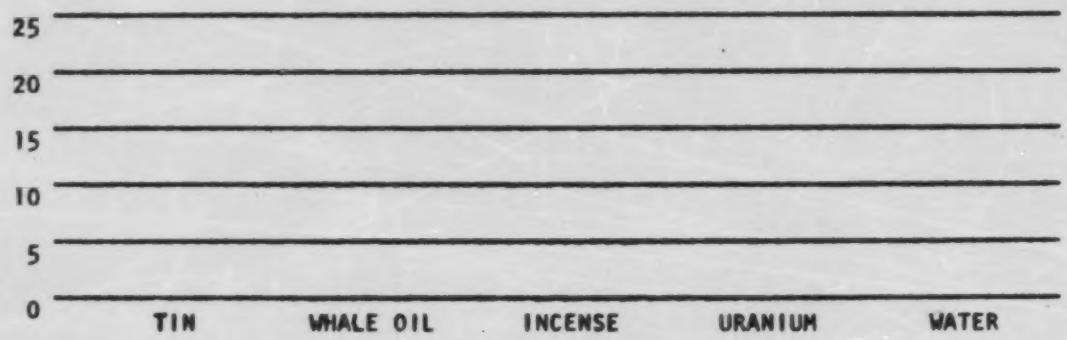
b. The student will identify resources for which a scarcity problem exists because demand is greater than supply.

NOTES TO THE TEACHER	ACTIVITIES
	1. a. PRODUCERS WHICH ARE NOT SCARCE: Students estimate the number of physicians' offices, meat markets, sporting goods stores, beauty parlors, women's clothing manufacturers, etc., that are located in their city or county. Check the figures with the yellow pages of the telephone directory. This activity will give some indication of the wide variety of goods and services available.
	b. PRODUCERS WHICH ARE SCARCE: Now, have the students check the yellow pages of the telephone directory to find producers that they judge (by the quantity available) to be scarce. Why would each of these be scarce?
Gabel, Margaret. Sparrows Don't Drop Candy Wrappers. New York: Dodd, Mead and Co., 1971.	2. a. Have several students read and report on Sparrows Don't Drop Candy Wrappers to the class.
	b. Make a display bulletin board showing some of the threatened species mentioned in the book.
	c. Make a list (on transparency, newsprint, or oaktag) of the kinds of undesirable activities (littering, wasting materials, killing scarce animals, etc.) that people, not sparrows, indulge in. Let one student list the first suggestion on the transparency, and then he can choose his own replacement from the class, changing frequently enough so that the whole class will become personally involved in the activity either by writing or by suggesting an item.
	3. All resources are scarce. The SCARCITY PROBLEM exists when there are no alternative resources or the availability of the alternative resources declines.

NOTES TO THE TEACHER	ACTIVITIES
	3. DIRECTIONS: Below are descriptions of some of the resources in five countries. Using the above definition, place an X beside the <u>two</u> countries in which there is a SCARCITY PROBLEM for steel. ____ The United States has always relied upon steel for construction, but aluminum and plastics have become popular as well. _X_ England has always relied upon steel and wood for construction, but wood has almost totally disappeared. ____ Spain has always used steel, wood, and stone for construction, but plastics are becoming popular. _X_ Germany has always used steel for construction and experiments with tin and aluminum as substitutes have failed. ____ In Canada, steel and aluminum are used in construction, but aluminum is cheaper and more readily available.
Easily used as a test if the definition is omitted.	4. All resources are scarce. When the number of uses for a resource increases, then a SCARCITY PROBLEM exists. DIRECTIONS: Study the chart below. Using the above definition, place an X beside the <u>three</u> resources listed under the chart for which a SCARCITY PROBLEM exists. SEE NEXT PAGE ---

NOTES TO THE TEACHER	ACTIVITIES

4. # of Uses



X	TIN		
	WHALE OIL		1870
	INCENSE		
X	URANIUM		1970
X	WATER		

D.S. Halacy, Jr. Now or Never. New York: Four Winds Press, 1971.

5. Now or Never warns us that the scarce resources of the earth are being used up rapidly because man is so wasteful. After reading the book and discussing its illuminating pictures, it would be a good idea to ask the class some or all of the questions called a "Check List for Your Community" as the book suggests. Then, possible some individual students may wish to follow up this discussion by investigating on their own for answers to those questions where only vague responses were given. Later, these reports could be given to the class, and a follow-up discussion could then ensue. Since habits of wastefulness are such personal, every-day matters, it would be a

NOTES TO THE TEACHER	ACTIVITIES
	5. good idea to have the children make their own photographs, similar to those in the book, for display or polluted sights in their own neighborhood and school yard or school lavatory. Then, they might finally become aware of the part they must play to prevent the "never" from happening of Now or Never.

VI. ACTIVITIES

LEVEL 4 (5, 6)

A. The individual as the basis for our economic system.

Scarcity

c. The student will identify particularly scarce elements among the world's resources and also determine those that are plentiful.

NOTES TO THE TEACHER	ACTIVITIES
Divide the class into small groups; one group for each continent. You may want to ditto a chart for each group: CONTINENT: Plentiful Resources | Export To | Scarce Resources | Import From Paradis, Adrian A. Trade: The World's Life Blood. Julian Messner, 1969. Subject: International Trade. Reading level: 6th Grade.	1. Have each group research its continent in order to identify which resources are scarce and which are plentiful. Have groups record if plentiful resources are exported (and to where) and if scarce resources are imported (and from where). When individual group charts are complete, have each group transfer its findings to large newsprint charts and compare findings. - Are there any resources which appear to be plentiful on every continent? - Do countries which have some plentiful resources export them? If so, to where? - Are there any resources which appear to be scarce on every continent? 2. Have several students read and report to the class on Trade: The World's Life Blood. This story traces the history of trade starting with the idea of barter that developed within a small tribe living near the eastern shore of the Mediterranean Sea. The concept of specialization as the basis for trade and the economic problems that develop in world trade are examined. As they read this story, children may come to understand that what a country can produce efficiently depends on the quality and availability of productive resources, which are distributed unevenly around the world, thus creating the basis for specialization and trade. The existence of different monetary systems and of artificial trade barriers such as tariffs are introduced as special problems in world trade. b. Question for Discussion: How might the international trade situation be different if - all the world's productive resources were plentiful? - all the world's productive resources were distributed evenly around the world?

NOTES TO THE TEACHER	ACTIVITIES
Part of a roll of brown mural paper would probably be best for the outline maps.	3. Have several students make an outline map of the United States. Have students indicate on the map (i.e., drawings, symbols) which resources are plentiful where in the United States. Display map in classroom when completed. 4. Have several students make an outline map of the world. Have students indicate on the map (i.e., symbols, drawings) which resources are plentiful where in the world. Different students may be responsible for different countries or continents. Display map in classroom when completed.

VI. ACTIVITIES

LEVEL 4 (5, 6)

A. The individual as the basis for our economic system.

Scarcity

d. The student will identify the uneven distribution of natural resources and demonstrate that some may be scarce in one place and not in another.

NOTES TO THE TEACHER	ACTIVITIES
	1. Some Questions for Discussion: - Why are wood exterior houses very common in New England but not in South Florida? - Why are fruit and vegetable prices generally lower all year round in South Florida than in New England? - In Colonial America, why were the juices of berries used to dye yarn and thread various colors? - Why does South Florida attract tourists especially during the winter months?
Easily used as a test when the definition is omitted.	2. All resources are scarce. A SCARCITY PROBLEM exists when there are no substitutes for the resource. A SCARCITY PROBLEM also exists when substitutes can no longer be found. DIRECTIONS: Below are statements about resources in four countries. Using the above definition, put an X by the two countries where there is most likely to be a SCARCITY PROBLEM for shoes. __X__ In Georgeland, shoes can only be made out of leather. _____ In Roseland, shoes can be made out of leather or rubber. _____ In Luland, shoes can be made out of leather, rubber, or plastic. __X__ In Grania, shoes can only be made out of plastic.

NOTES TO THE TEACHER	ACTIVITIES
Easily used as a test when the definition is omitted.	3. The SCARCITY PROBLEM is relative in that what one society perceives as SCARCE may not be perceived as SCARCE in another society. The scarcity of any resource depends upon the society's values and how it utilizes its resources. DIRECTIONS: Using this definition, read the three situations below and answer the questions. Place an X beside the correct name. a. In Country A with a population of eighty-five million, oil is used for heating homes and businesses. In Country B with the same population, oil is used for heating, gasoline, and industry. Which country would consider oil to be scarce? ____ Country A _X_ Country B b. On the island of Alina, the people use shells as money. On the island of Vata, the people use metal as money. Which island would consider gold to be scarce? ____ Alina _X_ Vata c. In the Country of Cali, education is highly prized. In the country of Forni, education is not valued and educated people are in the lower class. Which country would consider teachers to be scarce? _X_ Cali ____ Forni

RESOURCES

SCARCITY - LEVEL 4 (5, 6)

CHILDREN'S LITERATURE:

Hey, Nigel S. How Will We Feed the Hungry Billions? New York: Julian Messner, 1971.

Helfman, Elizabeth S. This Hungry World. New York: Lothrop, Lee and Shepard Co., 1970.

Potter, Bronson. Antonio. Atheneum, 1969. Subject: Economics, prices, resources. Reading level: 6th grade.
The economic life of a Portuguese fishing village is analyzed. Described are the operation of the forces of supply and demand in the determination of market prices, the concept of barter and the way in which factors of production (men, ships, etc.) can be combined to increase the production of a consumer commodity (fish). The objective of the story is to describe the use of scarce resources in the production of goods and services that satisfy consumer wants.

Parkinson, Ethelyn M. Today I Am a Ham. Abingdon Press, 1968. Subject: Economics, supply and demand. Reading level: 5th grade.
The role of supply and demand in determining market prices is illustrated through this story of a young ham radio operator's search for wireless equipment. The development of markets involving barter is discussed in the context of situations where individuals build pieces of equipment to trade for other materials. The story attempts to acquaint students with the complexities involved in bartering and serves to demonstrate the importance of the money and credit system of our nation.

Lexau, Joan M. Striped Ice Cream. J. B. Lippincott Company, 1968. Subject: Economic wants. Reading level: 5th grade.
The difference between need and effective demand is illustrated in this story about the problems of a poor family. It is observed that since individuals have unlimited wants but only limited incomes, rational economic choice-making requires an ordering of wants on the part of families so that the more compelling needs are certain to be satisfied first. Students are led to understand that economic wants are our wants for material goods and services and that satisfying people's material wants is the end product of economic activity.

Brooks, Anita. The Picture Book of Salt. John Day Company, 1964. Subject: Natural resources. Reading level: 5 - 6.
A photographic treatment of the different techniques of refining salt is presented along with a discussion of how the refining is accomplished in different parts of the world. The importance of capital-intensive production is examined through an analysis of the impact of automation on salt production and the geological origins of salt are explored. The varied purposes the depleted salt mines are used for are also noted.

SCARCITY - LEVEL 4 (5, 6)

CHILDREN'S LITERATURE (Cont'd):

Adler, Irving and Ruth. Fibers. John Day Company, 1964. Subject: Natural resources. Reading level: 5 - 6 grades.
The production and use of both natural and artificial fibers are explored. Particular production techniques for both types of fiber and the wide variety of uses to which each may be put are examined. The story also mentions the various stages in the process of bringing all the resources (land, labor, and capital) together and organizing production.

Lauber, Patricia. Our Friend the Forest. Doubleday & Company, 1959. Subject: Natural resources and scarcity.
Reading level: 5 - 6 grades.
Forest resources provide us with material for a wide variety of uses (including the provision of shelter, clothing, and food). The story stresses that our forests are an exhaustible resource and thus their exploitation must be carefully regulated to assure adequate future supplies of the important materials they provide. The story serves to provide a rationale for government modification of the market system to insure that certain things are done to promote the general welfare.

Adler, Irving and Ruth. Houses. John Day Company, 1964. Subject: Natural resources. Reading level: 5 - 6 grades.
The use of natural resources in the production of building materials is described along with a detailed explanation of the ways in which geographical and climatic conditions affect the choice of building material in particular locations. Specific examples of different types of housing construction are given and pictorial material is provided. Various aspects of the production process and the way in which production is organized are explained.

Brooks, Anita. The Picture Book of Timber. John Day Company, 1967. Subject: Natural resources, forestry products.
Reading level: 6th grade.
The importance of forestry products is explained in detail along with a listing of some of the wide variety of products that come from forests (such as fuel, wood products, and paper products). The story includes an analysis of the need for conservation practices and a commentary on the role of research and technological development in the production of new forestry products.

McCoy, J. J. (Foreword by Senator Edmund Muskie). Shadows Over the Land. The Seabury Press, 1970. Subject: Conservation of natural resources. Reading level: 6th grade.
The problem of pollution of the earth's supplies of air, water, and land is introduced. The story observes that these resources are exhaustible and that it is possible to contaminate them to the point where it will no longer be

CHILDREN'S LITERATURE (Cont'd):

McCoy, J. J. Shadows Over the Land. Continued . . .
possible to restore them to the point where it will no longer be possible to restore them in sufficient quantities. The connection between increasing urbanization and increasing pollution is discussed.

Maas, Dorothy. The Sugar-Candy Heart. Harcourt Brace Jovanovich, Inc., 1968. Subject: Economics, supply and demand. Reading level: 6th grade.
The operation of the forces of supply and demand in determining a commodity's market price is described. An illustration is provided of how the accumulation of wealth through savings can lead to the satisfaction of deferred wants. The story helps children become aware of the fluctuations in prices due to changes in the relative supply and demand for goods and services..

RESOURCES

SCARCITY - LEVEL 4 (5, 6)

STATE ADOPTED TEXTUAL RESOURCES:

Senesh, Lawrence. "American Way of Life" (Grade 5), and "Regions of the World" (Grade 6), Our Working World. Science Research Associates.

Teacher's Resource Guide:
Chapters 1, 2, 3, 4, 8, 11, 15, 19, 22, 25, 28 (Grade 5)
Chapters 3, 4, 7, 9, 10, 11, 12, 13, 16 (Grade 6)

"The United States" (Grade 5), and "The Way People Live" (Grade 6), Windows On Our World. Houghton Mifflin.

Unit 1 - Lesson 4; Unit 5 (Grade 5)
Unit 3 - Lessons 10, 11, 12, 13

"This Favored Land" (Grade 5), Focus on Active Learning. Macmillan Publishing Company.

Chapter 1

VI. ACTIVITIES

LEVEL 4 (5, 6)

B. The component parts of our economic system.

1. Exchange and Money

a. The student will define trade or exchange as the process of transferring goods and services among individuals and groups.

NOTES TO THE TEACHER	ACTIVITIES
	1. Have students bring in toys, games, or other articles and have a barter fair.
	2. Have students use library resources to find out information about barter in colonial America.
	3. Which of the following are essential (necessary) characteristics of present United States money? ____ 1. It is well designed. _X_ 2. It comes in several denominations _X_ 3. It can be easily carried. ____ 4. It is made of metal. _X_ 5. It does not wear out easily. _X_ 6. The different coins are easy to tell apart. ____ 7. It is colorful
You may want to have the students research, illustrate, and present to the class several other types of money.	4. Students respond to: WHAT IS WAMPUM? HOW WAS IT USED?

NOTES TO THE TEACHER	ACTIVITIES
	5. a. Teacher assists students in defining legal tender. What does LEGAL mean? (Something lawful or right.) TENDER means something which is offered. LEGAL TENDER refers to money which by law must be accepted as payment when offered in exchange for goods and services. United States coins and currency are LEGAL TENDER. b. TRUE OR FALSE QUIZ: __T__ Coins and paper money we use today are called legal tender. __T__ Legal tender refers to money which, by law, must be accepted as payment for goods and services. __F__ Some coins issued by the government today are not legal tender.
* Published by Life Magazine.	6. Teacher and class should refer to EPIC OF MAN*, social studies texts, and other resource materials to find out about early coins. (Lydia was the first nation to issue coins.) Have the class try to discover the significance of designs on early coins.
Several students can illustrate or build a dioramma of various functions of U.S. Mints.	7. Class may conduct research on the history and function of the U.S. Mint.
	8. Have students use reference materials to find out when, where, and why paper money came to be used. Class may write to the Bureau of Printing and Engraving, Department of the Treasury, Washington, D.C.
	9. a. Have class read about the United States Mint and the Department of Printing and Engraving. Reports may be given on how money is printed. Discuss minting and the printing of money as a responsibility of the Federal Government.

Continued---

NOTES TO THE TEACHER	ACTIVITIES
	9. b. TRUE OR FALSE QUIZ: __F__ The mint which prints our money is a part of the state government system. __F__ Some banks now mint coins and print bills which are accepted as legal tender. __T__ The issuing of coins and currency is the responsibility of the Federal Government. 10. a. ROLE PLAYING: Arrange class in four groups representing areas of Europe, Asia, and Pacific Islands. Each group travels to a fair in caravans with their products to trade with people from another region. Each group will offer for sale products and raw materials that the others lack. b. As a survey of the economic contributions of the early explorers make a chart of the English, Spanish, French, and Dutch explorers. List in the following columns: - What limited resources were they searching for? - What did they find? - Did they find a substitute for some resource in short supply?
Easily used as a test.	11. DIRECTIONS: Place an X by the <u>three</u> examples of EXCHANGE. __X__ Brazil exports coffee to the United States and imports appliances from the United States. __X__ Candy used her mother's charge account for her new dress.

Continued---

NOTES TO THE TEACHER	ACTIVITIES
Easily used as a test.	11. ____ In the pie eating contest at the fair, the winner ate twenty-five blueberry pies. __X__ In some poorer rural areas, doctors receive farm produce such as chickens and fresh vegetables for their fees. ____ At the age of fifty, Mr. Floss went back to school to get his high school diploma. 12. BARTER is a type of EXCHANGE by which people trade goods and services without the use of money. DIRECTIONS: Using this definition, place an X by the <u>three</u> sentences below which show BARTER. __X__ The Indians gave the land of what is now New York City for beads and trinkets worth about $24.00. __X__ Sometimes in the old west, farm laborers received a room and food for their work. ____ I pay over $150.00 a month rent for my apartment. __X__ Mr. Phillips gave Mr. Trimble a color TV and a dishwasher in return for Mr. Trimble's car. ____ In order to own my own home, I am going to have to take out a loan from the bank.

NOTES TO THE TEACHER	ACTIVITIES

13. BARTER is a form of EXCHANGE by which goods and services are traded without the use of money.

DIRECTIONS: Using this definition, place an X by the three statements below which illustrate BARTER.

____ Last week my father used a credit card when he took a number of people out to dinner.

_X_ Early pioneers sometimes received animal skins from the Indians in return for iron tools and mirrors.

_X_ Mrs. Arthur received a beautiful sweater from the Bacons after she stayed with their children for a week.

____ Every month I owe the bank 1 1/2 percent interest on my car loan.

_X_ The country of Midland sends doctors and engineers to the country of Vanda in return for coffee and bananas.

14. A MEDIUM OF EXCHANGE is something which everyone agrees to accept and use in the trading of goods and services. To be a good MEDIUM OF EXCHANGE, an item or object must be:

PORTABLE DURABLE DIVISIBLE

DIRECTIONS: Using this definition, place an X by the two things which would be best to use as a MEDIUM OF EXCHANGE.

____ Loaves of bread.

____ Water

_X_ Plastic discs

_X_ Beads

____ Horses

VI. ACTIVITIES

LEVEL 4 (5, 6)

B. The component parts of our economic system

1. Exchange and Money

b. The student will identify examples of monetary exchange.

NOTES TO THE TEACHER	ACTIVITIES
	1. Have a class discussion which focuses upon the kinds of economic exchange found in early civilizations. Query class with the following: Did the absence of a system of money limit trade? If so, in what way? Are there any industrialized nations in which trade is based on barter? 2. QUESTIONS FOR DISCUSSION: - What do most people receive for their work? - How does money help people obtain the things they want? - Why will people accept money as payment for their work? - Why will people accept money as payment for goods and services? - Why is money referred to as a medium of exchange? - How does money help us compare the value of goods? 3. Have students list at least ten examples of monetary exchange. 4. Have students write short stories or illustrated booklets about a situation involving monetary exchange. For example: HOW LINDA EARNED HER TEN-SPEED BIKE WHEN JIMMY BOUGHT HIS FIRST PAIR OF SHOES

VI. ACTIVITIES

LEVEL 4 (5, 6)

B. The component parts of our economic system.

1. Exchange and Money

c. The student will classify the economic roles which are involved in exchange (i.e., producer, consumer).

NOTES TO THE TEACHER	ACTIVITIES
	1. Have students comprise their own definition of PRODUCER OF GOODS AND SERVICES and CONSUMER OF GOODS AND SERVICES. Students then list several examples of each. 2. Students respond to the following statements: a. In the United States today there are many producers and consumers. All producers are also consumers; but not all consumers are producers. (Cite examples in your response.) b. In the United States today, all producers must specialize to some degree in their work in order to produce enough for the total population of consumers. 3. Play a version of "WHAT'S MY LINE?" using this format: I direct traffic. I'm a police officer. What's my line? (Producer - Service) I am a baby and love my baby food. What's my line? (Consumer) Have students prepare their own to ask the class.

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CHILDREN'S LITERATURE:

Quiggin, A. H. The Story of Money. London: Methuen and Co., Ltd., 1956.
The Story of Money tells about all kinds of articles that people have used all over the world when they have made purchases. It shows that wide variety of materials has been accepted in place of money in different societies as a means of making sales while not resorting to actual barter of one commodity for another. The children can understand that they can not take some of their belongings to the store and exchange them for new shoes or a new plaything. Instead, they take some form of money which has its value marked on it.

This book is a fascinating history of kinds of money that have been used all over the world. The students will not only understand the function of money better when they have read it, but they will also understand the wide cultural differences in various parts of the world where the people's choices of kinds of money give a great deal of insight into their values.

Wade, William W. From Barter to Banking. Crowell Collier, 1967. Subject: Money, evolution of money. Reading level: 5th - 6th grade.
The history of money as a medium of exchange is traced form premonetary barter to the evolution of complex modern financial institutions. The different forms of money in modern society are examined as are the institutions of the American monetary system including the Federal Reserve System. Basic elementary ideas dealing with the creation of money, the functions of money, and the purpose of monetary policy can be developed from the story content.

Rossomando, Frederic, Florence Leventhal, and Marilyn Szymaszek. Spending Money. Franklin Watts, Inc., 1967.
Subject: Money. Reading level: 5th grade.
The story explains how consumers satisfy material wants for goods and services by spending the incomes they earn from the use of their productive resources. It illustrates the circular flow of money payments from business to the public in the form of wages and salaries and from the public back to business in the form of money spent on goods and services. Children are led to understand that because incomes are limited, choices have to be made by individuals among alternative ways of spending their limited supply of money. The concepts of consumption, production, goods and services, and saving are illustrated and explained.

CHILDREN'S LITERATURE (Cont'd):

Hunt, Irene. Trail of Apple Blossoms. Follett Publishing Company, 1968. Subject: Economics, barter. Reading level: 6th grade.
Johnny Appleseed's legendary travels are used to explain both the concept of market transactions through barter exchange (apple seeds planted in exchange for cornmeal) and the notion of an externality (the apple trees grew and flourished over time providing food and scenic beauty for people who had no part in the original transaction). The story provides background information to help students understand that our system of specialized production and of buying and selling goods in markets requires the use of money.

Flory, Jane. Faraway Dream. Houghton Mifflin Company, 1968. Subject: Economics, trade. Reading level: 6th grade.
The operation of a milliner's shop is observed through the eyes of a milliner's apprentice. The different aspects of the trade are discussed in some detail including an analysis of the kinds of capital equipment used and the types of skills required of labor in this handicraft form of production. Both the instruments of production (capital and labor) as well as the way in which production is organized are described in the story.

Rosenfeld, Sam. The Story of Coins. Harvey House, Inc., 1968 (rev. ed. 1969). Subject: Money. Reading level: 6th grade.
Although primarily designed to introduce children to the hobby of coincollecting, this book can be used in lessons dealing with barter, money, the criteria for a good medium of exchange, scarcity, and inflation. It gives a history of coinage from ancient times to the present, discusses trade and barter, lists the characteristics that a medium of exchange must have if it is to be effective and convenient, explains how scarcity and demand affect the value of a coin, and shows how an increase in the supply of money can cause inflation.

EXCHANGE AND MONEY - LEVEL 4 (5, 6)

STATE ADOPTED TEXTUAL RESOURCES:

Senesh, Lawrence. "American Way of Life" (Grade 5), and "Regions of the World" Science Research Associates.

Teacher's Resource Guide:
Chapters 7, 8, 11, 19, 25, 28 (Grade 5)
Chapters 9, 10, 11, 12, 13 (Grade 6)

OURCES

Y - LEVEL 4 (5, 6)

"Regions of the World" (Grade 6), Our Working World.

VI. ACTIVITIES

LEVEL 4 (5, 6)

B. The component parts of our economic system.

2. Consumption

a. The student will define consumption as the utilization of goods and services for the purpose of satisfying needs or wants.

NOTES TO THE TEACHER	ACTIVITIES
	1. Students examine history books or other sources to find examples of things consumed in other periods of time.
	2. Students prepare a report contrasting the consumption of a certain group in two periods of history, e.g., a farm family, an inn or hotel manager, or a furniture manufacturer.
	3. Students list five items consumed in a colonial kitchen which would not be consumed today.
Have several students do this activity as if each were living in Colonial America, during the Civil War, etc.	4. Have students list what each usually consumes in a day. What need or want was satisfied each time? For example:

	I CONSUME	NEED OR WANT SATISFIED
1.	Pencil	The need to write my math homework
2.	Electricity	The need to use lights; the want to hear my radio
3.	Etc.	

5. Have several students draw a mural depicting products being consumed.

VI. ACTIVITIES

LEVEL 4 (5, 6)

B. The component parts of our economic system.

2. Consumption

b. The student will determine how consumption of goods and services affects production.

NOTES TO THE TEACHER	ACTIVITIES
Students may also simply list the goods and services.	1. Using one of the following examples, have the students prepare a bulletin board illustrating goods and services produced and consumed as a result of the invention or discovery of: - TELEPHONE - AUTOMOBILE - ROCKETS - AIRPLANES - CAMERA
A bulletin board can be made with an "illustrated list" accompanying each activity.	2. List all of the goods and services produced in connection with the following activities: - BOATING - FISHING - CARING FOR A PET (You may wish to pick a specific pet, i.e., cat horse, fish) - COOKING
	3. Students describe five services consumed today that were not consumed 100 years ago. Were these services produced 100 years ago? Why or why not?

NOTES TO THE TEACHER	ACTIVITIES

4. a. Students list non-durable goods which could be associated with the following durable goods:

FOUNTAIN PEN	WASHING MACHINE
CHALKBOARD	BUS
NOTEBOOK	PLATE
HOUSE	TYPEWRITER
FISHING POLE	FLASHLIGHT

b. Select any one of the durable goods listed above. If it were not in use (not consumed), would the non-durable goods still be produced? Why or why not?

Answer this question for <u>each</u> non-durable good you named.

5. a. Students compare the variety of goods and services available in a local department store with those available in the market place in a less industrialized area.

b. How do these differences affect the production of goods and services in each area?

6. a. Class reads to learn about recreational activities in five different countries and then demonstrates these activities.

b. Name goods and services consumed (and produced) for each of these recreational activities.

7. Students give an example of a more durable good which could be substituted for the following non-durable goods: PAPER TOWELS, ALUMINUM FOIL, PAPER CUP.

Which of these goods (durable or non-durable) is produced in greater quantity do you thing? Why?

RESOURCES

CONSUMPTION - LEVEL 4 (5, 6)

CHILDREN'S LITERATURE:

Peet, Bill. The Wump World. Houghton Mifflin Company, 1970. Subject: Pollution. Reading level: 6th grade.
This story illustrates the importance for society to find a solution to the problem of pollution. It is explained that if man cannot find ways to control the emissions of pollutants, then the environment may deteriorate to a point where it can no longer be restored to a livable condition. Reference is made to the economic role of government in enforcing pollution control standards.

Adler, Irving and Ruth. Learning About Steel Through the Story of a Nail. John Day Company, 1961. Subject: Production, Consumption. Reading level: 4th - 5th grade.
The simple nail is chosen to illustrate the complex process of production goods for final consumer use. The production process is discussed from the mining of the iron ore through the production of steel to the stamping and shaping of the finished product. The enormous variety of consumer goods required by society is observed through the analogy of the great variety of different sizes and shapes of nails which are produced.

RESOURCES

CONSUMPTION - LEVEL 4 (5, 6)

STATE ADOPTED TEXTUAL RESOURCES:

Senesh, Lawrence. "American Way of Life" (Grade 5), and "Regions of the World" (Grade 6), Our Working World. Science Research Associates.

Teacher's Resource Guide:
Chapters 2, 8, 9, 10, 15, 19, 22, 23, 24, 25, 26, 27, 28 (Grade 5)
All Chapters (Grade 6)

"The United States" (Grade 5), and "The Way People Live" (Grade 6), Windows on Our World. Houghton Mifflin.

Unit 2 - Lessons 5, 6 (Grade 5)
Unit 3 - Lessons 4, 10 (Grade 5)
Unit 5 (Grade 5)
Unit 7 (Grade 5)
Unit 3 - Lessons 10, 11, 12, 13 (Grade 6)

"This Favored Land" (Grade 5), Focus on Active Learning. Macmillan Publishing Company.

Chapters 1, 15, 16, 17, 18, 19, 20

"People in the Americas" (Grade 5), and "People and Change" (Grade 6), Social Science Series. Silver Burdett.

Chapter 9 (Grade 5)
Chapter 4 (Grade 6)

"Purple" (Grade 5), and "Brown" (Grade 6), Concepts and Values. Harcourt, Brace, Jovanovich.

Unit 4 (Grade 5)
Unit 4 (Grade 6)

"People in America" (Grade 5), and "People in Change" (Grade 6), Taba Program in Social Science. Addison-Wesley.

Unit 6 (Grade 5)
Unit 1 (Grade 6)

VI. ACTIVITIES

LEVEL 4 (5, 6)

B. The component parts of our economic system.

3. Production

a. The student will define production as the making of both production (i.e., tools) and consumption goods as well as services; and state that production goods are used to increase the production of consumption goods (i.e., lumber, nails).

NOTES TO THE TEACHER	ACTIVITIES

1. a. Have students check those items listed below which are necessary to the production of a dry cleaning service:

_____ Building
_____ Drying Machine
_____ Yard Worker
_____ Cleaning Machine
_____ Refreshment Bar
_____ Pressing Machine
_____ Doll Repair Worker
_____ Customer Billing Tags or Papers
_____ Plastic or Paper Garment Bags
_____ Chemicals and Cleaning Solutions
_____ Operators
_____ Hangers
_____ Manager
_____ Clerical Worker

b. After completing the above assessment have students classify those they have checked as:

MATERIALS OR NATURAL RESOURCES	CAPITAL RESOURCES	HUMAN RESOURCES
Chemicals & Cleaning Solutions	Building	Operator
Hangers	Cleaning Machine	Clerical Workers
Plastic or Paper Bags	Drying Machine	Manager
Customer Billing Tags or Papers	Pressing Machine	

NOTES TO THE TEACHER	ACTIVITIES
Another suggestion for this type of an activity is to examine hobby magazines in order to determine how various items are produced.	2. Class members can compile recipes of favorite food dishes. A chart can be made to classify factors of production as materials, human resources, capital resources. Children may enjoy sharing the finished product. 3. Students may contrast the Indians' productive resources with those of the early settlers. Note that the same natural resources existed for both groups, but the knowledge of how to use them and the production goods available differed. 4. a. Teacher and class discuss the meaning of synthetics. Students may look up plastic in an encyclopedia and list the uses for it. Have them indicate the natural materials replaced by plastics. Cite reasons for the use of the synthetics. Similar studies may be made for nylon, vinyl, or other synthetics. b. An exhibit of various synthetics could be prepared noting the material replaced by the synthetic. 5. Students may compile a list of synthetics and tell briefly how each is used: - In Industry - In Architecture and Home Building - In Medicine - In Science 6. Students can interview members of the family and community in order to gather information on machines now being used. This information may then be compared with information on how a product was produced before the use of sophisticated machinery.

NOTES TO THE TEACHER	ACTIVITIES

7. Have students collect pictures of machines which now perform the work of man. The following areas may be used: FARMING, EDUCATION, SALES, CLERICAL WORK, and BUILDING TRADES.

8. Which of these kinds of human effort can now be performed by machinery? Name or describe the machine. Cross out those activities which cannot be done by a machine.

KNITTING
SETTING THE TABLE
WASHING THE CAR
MAKING A STATUE
SHAMPOOING HAIR
MAKING COOKIES
DIGGING A WELL
SELLING MERCHANDISE (Vending machine)

9. Class may describe or made posters representing the factors of production of some agricultural or industrial product found in a region or country being studied.

10. Have students classify the following as:

A. LAND (NATURAL RESOURCE)
B. LABOR (HUMAN RESOURCE)
C. PRODUCTION GOODS (CAPITAL RESOURCE)

_____ Silver Ore
_____ Grazing Land
_____ Machinists
_____ Steel
_____ Steel Furnaces
_____ Diamond Cutting Tool
_____ Land on which a factory building stands
_____ Herdsmen
_____ Dredging Machine
_____ Cargo Ship
_____ College Professor
_____ Hotel Manager

NOTES TO THE TEACHER	ACTIVITIES

11. STUDENTS MATCH:

B	Natural Resources	A.	Labor
A	Human Resources	B.	Land
C	Production Goods	C.	Capital Resources

C	Land	A.	Factory Workers
A	Labor	B.	Oil Pipelines
B	Capital Goods	C.	Iron Ore

STUDENTS COMPLETE:

Production is the bringing together of _____, _____, and _____.

12. Students fill in the chart:

COUNTRY	NATURAL RESOURCE	HOW USED

13. Have students check the advantages of mass production:

_____ Lower cost per unit
_____ Custom made goods
_____ Parts which can be interchanged
_____ Creativity of the worker
_____ Greater profit to the businessman
_____ Increased output per man hour

NOTES TO THE TEACHER	ACTIVITIES

14. Have the class discuss how mass production necessitates labor specialization. Ask the students to suggest some advantage of mass production. These three important ideas should be included in the discussion:

- INCREASED OUTPUT PER MAN HOUR
- LOWERED COST
- UNIFORMITY AND INTERCHANGEABILITY OF PARTS

15. DIRECTIONS: Place an X by the statement below which best explains PRODUCTION.

____ Production is the way in which the utility of resources is used.

__X__ Production is the way in which utility is added to resources in order to made goods and services.

____ Production is the way in which goods and services are made into resources to satisfy needs and wants.

____ Production is the way in which people utilize goods and services.

16. DIRECTIONS: Place an X beside the statement below which best defines PRODUCTION.

____ Production is the process by which the utility of goods and services is reduced to made resources.

____ Production is the process by which land, labor, and capital are organized.

__X__ Production is the process by which utility is added to resources to create goods and services and requires land, labor, and capital.

____ Production is the process by which land and labor are used to make capital so that goods can be created.

NOTES TO THE TEACHER	ACTIVITIES
Easily used as a test	17. DIRECTIONS: Place an X beside the statement below which best defines PRODUCTION ____ Production involves the use of the productive resources of land, labor, and capital. _X_ Production is the making of useful goods and services from resources. For production to occur, land, labor, and capital must be present. ____ Production is the reduction of utility of goods and services. ____ Production is the making of useful resources from goods and services. For production to occur, capital must be available. 18. DIRECTIONS: Place an X beside the four terms below which illustrate PRODUCTION. ____ CONSUME _X_ GROW ____ WASTE _X_ IMPROVE ____ BUY _X_ CONSTRUCT _X_ REPAIR 19. DIRECTIONS: The left column contains definitions and the right column contains terms. Place the letter of the correct term beside each definition. DEFINITIONS _E_ The knowledge and skills involved in making and using man's tools _D_ The use of machines instead of human labor to produce goods and services _A_ The ability of a good or service to satisfy a need or want _C_ The ability to make everything one needs and wants for oneself _B_ The organizer(s) of the factors of production to operate a business TERMS A. Utility B. Management C. Self-sufficient D. Automation E. Technology

NOTES TO THE TEACHER	ACTIVITIES

20. NON-INDUSTRIAL PRODUCTION uses mainly human energy or labor and very little capital in the making of goods and services.

DIRECTIONS: Using this definition, place an X beside the two descriptions below which are examples of NON-INDUSTRIAL PRODUCTION.

____ When the boss wants one hundred copies of a letter, the secretary types on. Then she puts it in a machine which takes a picture and makes the copies in less than five minutes.

_X_ There is a potter in our town that makes beautiful vases. He designs each one separately. Then he fashions the clay with his hands. He even paints his own designs on the vases.

____ On our farm, we have electric milking machines which can mild 100 cows at one time.

_X_ I've read about a country in Asia that wanted to build a road through the mountains. They used ten thousand men with shovels and pick-axes to clear the way and dig the road bed.

21. DIRECTIONS: Place a "G" beside the occupations below that produce GOODS and an "S" beside the occupations which produce SERVICES.

_X_ COMEDIAN	_G_ Publisher	_G_ WEAVER
_X_ PLUMBER	_G_ SEAMSTRESS	_S_ SECRETARY
_X_ JANITOR		_S_ MECHANIC

22. DIRECTIONS: Place an X beside the four terms below which illustrate PRODUCTION.

_X_ DEVELOP		____ DRINK
_X_ EDUCATE	_X_ TRAIN	____ DESTROY
____ UTILIZE		_X_ CREATE

NOTES TO THE TEACHER	ACTIVITIES

23. NON-INDUSTRIAL PRODUCTION may be characterized as utilizing a great deal of human labor and very low amounts of capital investments to produce goods and services.

DIRECTIONS: Using this definition, place an X by the one example below of NON-INDUSTRIAL PRODUCTION.

____ My aunt works at a place that makes women's dresses. She sits next to a conveyor belt and runs an electric needle which sews buttons on each dress as it passes by.

__X__ The boat builder in town custom-makes his boats for his clients. He builds a boat from start to finish and each one is different. He even hand carves the trim.

____ There is a new computer at the bank which allows a person to deposit or withdraw money any time of the day or night. A person need never leave his car and the entire procedure takes less than a minute.

VI. ACTIVITIES

LEVEL 4 (5, 6)

B. The component parts of our economic system.

3. Production

b. The student will identify persons who are producers and persons who are not producers.

NOTES TO THE TEACHER	ACTIVITIES

1. Have students select inventors on which they would like to report. Ask them to determine the effect of their invention on the growth of the U.S.

Some suggestions:

EDWIN DRAKE	HENRY FORD
WILLIAM BEEBE & OTIS BARTON	WRIGHT BROTHERS
GEORGE WASHINGTON CARVER	ELI WHITNEY
CYRUS MCCORMICK	THOMAS ALVA EDISON

When the reports are given orally the class may take notes using the following form:

INVENTOR OR SCIENTIST	MACHINE PROCESS INVENTION	HOW THE MACHINE RELATED TO THE USE OF NATURAL RESOURCES

2. Individuals select and report on an invention of their own choosing. In the report they should cite examples of how production was increased by the invention. A good reference is the LIFE SCIENCE LIBRARY-MACHINES.

3. Make a class chart or bulletin board entitled:

INVENTIONS INCREASE PRODUCTION

Students display or describe inventions and cite the field in which production has been increased.

NOTES TO THE TEACHER	ACTIVITIES

4. Students match the machine and the natural resource to the person:

SCIENTIST OR INVENTOR:	MACHINE OR PROCESS	NATURAL RESOURCE
Edwin Drake	5	a
Eli Whitney	3	e
George W. Carver	1	b
Beebe & Barton	2	d
Henry Ford	4	c

MACHINE OR PROCESS:

1. Scientific Farmer
2. Bathysphere
3. Cotton Gin
4. Mass production of gasoline powered vehicles
5. Oil Well Drill

Influenced use of which NATURAL RESOURCE or MATERIAL:

a. Petroleum
b. Soil
c. Steel, Petroleum
d. Materials in the Sea
e. Cotton, Soil

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NOTES TO THE TEACHER	ACTIVITIES
Several students can construct a time line showing the time periods when new sources of power were discovered.	5. a. Arrange these power sources in the order in which they were discovered by man: (6) ELECTRICITY (5) STEAM (1) MAN'S PHYSICAL STRENGTH (7) ATOMIC ENERGY (3) WATER POWER (4) WIND POWER (2) ANIMAL POWER b. Describe the effect that each type of power has on production. A different type of power can be assigned to different students or groups of students for researching. c. When all groups have presented the demonstrations to the class, have the students compare and contrast the different types of power.
	6. Individually, in committees, or as a class, plan the production of an art project, a class newspaper, some cooking activity, construction of a simple object, or a science project. Carry out the production as planned.
You may want to make a ditto of the "a" section.	7. a. Which of these are ways a displaced worker might obtain employment in the future? _____ Move to another place and try to get a job similar to the old one. _____ Be trained in a line of work presently needed in the community. _____ Accept unemployment payments _____ Find a job in a related industry where the skills he has acquired are needed.

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NOTES TO THE TEACHER	ACTIVITIES

7. Who is apt to find re-employment most difficult?

_____ A man who has been a miner for thirty years?

_____ A young man with only a few years experience as a miner?

b. After each student has completed the choices above, have the class discuss the ramifications involved in each possible choice.

8. a. Teacher may divide the class into three groups. Tell all three groups they are going to produce silhouette maps of a country. Have group one contain more workers than the others, and supply it with paper only. Supply group two with paper and scissors. Supply the third group (which should have fewer workers than either groups 1 or 2) with paper, scissors, pencils, and patterns of the map which they can trace. Give them 15 minutes to produce as many maps as possible.

b. Have them compare their products. The students should discover which group produced the most and best quality goods and why.

c. In this activity, what are the:

- HUMAN RESOURCES: _____
- NATURAL RESOURCES: _____
- PRODUCTION GOODS: _____

VI. ACTIVITIES

LEVEL 4 (5, 6)

B. The component parts of our economic system

3. Production

c. The students will examine various factors contributing to a producer's profit.

NOTES TO THE TEACHER	ACTIVITIES
	1. What result did specialization have on output? DISCUSS THIS EXAMPLE: The first cars were made by one man. He did 84 different tasks. Using specialization, 84 men did only one task. In the first situation, 2 cars were produced. Under specialization, 352 were produced. WHAT ARE SOME OF THE REASONS FOR THE DIFFERENCE IN PRODUCTION? 2. a. Have several students roleplay opening and operating a lemonade stand. What decisions must they make before starting the business? (Location, kind of lemonade, materials needed, price, quantity, promotion, where to buy the lemonade, etc.) b. As a class, analyze the roleplay with the lemonade stand, list the kinds of decisions made. (What to produce, where to produce; how to produce, and for whom to produce.) 3. At one time, most workers saw their product through from raw material to completed product. Now a worker may perform only one small operation (over and over again), in the productive process. Greater output is usually a positive result of this change. Have the class respond to the following questions: - What are some possible negative results of mass production techniques? - How might they be overcome?

PRODUCTION - LEVEL 4 (5, 6)

CHILDREN'S LITERATURE:

Howard, Elizabeth. Winter on Her Own. William Morrow & Co., Inc., 1968. Subject: Supply and Demand. Reading level: 6th grade.
The operation of a tinsmith's shop is presented as an example of handicraft production in a pre-Industrial Revolution setting. The operation of the market forces of supply and demand are illustrated in the process by which the tinsmith makes his pricing decisions. The story serves to demonstrate how price is established through changing demand and supply conditions.

Bluemle, Andrew. Automation. World Publishing Company, 1963. Subject: Manufacturing, Automation. Reading level: 6th grade.
The impact of automation on many aspects of American society is described with particular attention to its economic effects. The changes brought about by automation in such diverse areas as banking, retailing, and transportation, as well as manufacturing are examined. Primary emphasis is given to the social change generated as a response to automation, including technological unemployment and increased amounts of leisure time available to society.

Cohn, Angelo. The Wonderful World of Paper. Abelard-Schuman, 1967. Subject: Manufacturing, Production, Distribution. Reading level: 6th grade.
The history of the manufacture and use of paper is explained in this story with emphasis being placed on the role of research and technological development in finding new and diverse uses for paper products. The paper-making process is described, illustrating how the application of labor and capital to wood increases its social value and versatility. The story emphasizes the importance of technological progress to increased productivity.

Morgan, Geoffrey. A Small Piece of Paradise. Alfred A. Knopf, 1967. Subject: Pollution, Costs of Production. Reading level: 6th grade.
The problem of social cost, as opposed to private cost, is examined in the context of a situation where an individual's junk business is threatened by urban renewal. The question of pollution is also discussed in a description of the junk dealer's attempts to keep his business from becoming a public eyesore. The story helps to point out the economic role of government in regulating the establishment of businesses and enforcing the maintenance of certain pollution control and health standards.

CHILDREN'S LITERATURE (Cont'd):

Jones, Adrienne. Sail, Calypso! Little, Brown, and Company, 1968. Subject: Economics, Production. Reading level: 6th grade.
The joint exploitation of economic opportunities is illustrated in a situation where a number of children find a wrecked sailboat. No single child can repair the boat, but once the ownership rights to the wreck have been assigned to one child, he can then barter the use of the boat for the labor required to repair it. The story content can be related to the concept of private property in the U.S. which embraces not only the ownership of productive resources, but also certain rights, e.g., the right to set the price of one's product.

Hammond, Winifred. Cotton from Farm to Market. Coward McCann, 1968. Subject: Technology, Production, Economic Growth. Reading level: 5th - 6th grade.
This book describes the vertical stages of production of cotton from the growing of the cotton through the production of cotton cloth. The impact of mechanization (capital-intensive production techniques) on the cotton industry is examined to show how industry activity can be altered by technological change. The combination of a variety of factor inputs to produce a final output is also described.

RESOURCES

PRODUCTION - LEVEL 4 (5, 6)

STATE ADOPTED TEXTUAL RESOURCES:

Senesh, Lawrence. "American Way of Life" (Grade 5), and "Regions of the World" (Grade 6), Our Working World Science Research Associates.

Teacher's Resource Guide:
Chapters 1, 2, 3, 4, 7, 8, 9, 11, 13, 14, 15, 19, 22, 24, 25, 26, 27, 28 (Grade 5)
All Chapters (Grade 6)

"The United States" (Grade 5), and "The Way People Live" (Grade 6), Windows On Our World. Houghton Mifflin.

Unit 3 - Lessons 4, 10 (Grade 5)
Unit 6 - Lesson 4 (Grade 5)
Unit 7 (Grade 5)
Unit 1 - Lesson 7 (Grade 6)
Unit 3 - Lessons 6, 7, 8, 9, 10, 11, 12, 13 (Grade 6)

"This Favored Land" (Grade 5), Focus on Active Learning. Macmillan Publishing Company.

Chapters 1, 2, 8, 9, 10, 12, 13, 14, 15, 16, 17, 18, 19, 20

"People and Culture" (Grade 6), Man and His World. Noble and Noble.

Unit 3 - Pages 163 - 175

"People in the Americas" (Grade 5), and "People and Change" (Grade 6), Social Science Series. Silver Burdett.

Chapter 1 - Lesson 2 (Grade 5)
Chapter 9 (Grade 5)
Chapter 14 - Lesson 4 (Grade 5)
Chapters 15, 16, 17 (Grade 5)
Chapter 4 - Lesson 4 (Grade 6)
Chapter 7 (Grade 6)

STATE ADOPTED TEXTUAL RESOURCES (Cont'd):

"Purple" (Grade 5), and "Brown" (Grade 6), Concepts and Values. Harcourt, Brace, Jovanovich.

Unit 4 (Grade 5)
Unit 4 (Grade 6)

"People in America" (Grade 5), and "People in Change" (Grade 6), Taba Program in Social Science. Addison-Wesley.

Unit 6 (Grade 5)
Unit 1 (Grade 6)

VI. ACTIVITIES

LEVEL 4 (5, 6)

B. The component parts of our economic system.

4. Distribution

a. The student will define distribution as the process by which the production of a society is disbursed among the citizens.

NOTES TO THE TEACHER	ACTIVITIES
	1. Individual or group reports may be made on such topics as: THE BUILDING OF THE ERIE CANAL, THE LOUISIANA PURCHASE, THE HOMESTEAD ACT, THE INVENTION OF THE TELEPHONE, THE SAINT LAWRENCE WATERWAY, and THE REAPER. Other topics of interest to the students in this area might also be explored. The purpose of the research should be to show how the selected topic caused change in the marketing process.
	2. Maps may be studied to locate cities in the U.S. which are important marketing centers. Discuss the natural transportation lines which influenced the growth of these population centers. The various ways of transporting to different parts of the country throughout the city's history may be cited. New York City, Chicago, San Francisco, Atlanta, Miami, New Orleans, Pittsburgh, St. Louis, and Houston provide good examples for this objective.
You may want to divide the class into several teams to research the answers to these questions. Set a time limit for the research. At the end of the time limit, share answers which the groups have located. The group with the greatest number of correct answers is the Champion Research Team.	3. QUESTIONS: - Why are climate and weather a problem to transportation? - What is piggy-back transportation? - Why is a large share of the steel industry located in the Great Lakes region? - What is the most and least expensive form of transportation? - What are the special features of each kind of land transportation? - What is the history of pipelines as a means of transportation? - Find the cost of shipping 100lbs. of merchandise from Miami to New Orleans by train, Railway Express, bus, ship, air. What extra services, if any, are included in the cost? (Pick up and delivery, etc.)

Continued---

VI. ACTIVITIES
(Continued)

LEVEL 4 (5, 6)

NOTES TO THE TEACHER	ACTIVITIES
Easily used as a test.	3. - What is the fastest and slowest type of transportation? With what goods would speed be essential? Why? - What is the most desirable transportation for various goods? Select several products and describe the most efficient and most economical means of transporting each one. 4. DIRECTIONS: Place an X beside the three statements which represent examples of DISTRIBUTION. __X__ In some countries, where people may work is determined by a plan established by the government. _____ Per capita income has risen every year for years. __X__ Steel is used in great quantities by the automobile, construction, and heavy machinery industries. __X__ Many large companies budget a large portion of their income for advertising. _____ The production of a color TV requires skill and precision. _____ Asians consume more rice per day than do Americans. 5. DIRECTIONS: Place an X beside the three statements which represent examples of DISTRIBUTION. __X__ The Unites States provides welfare support to millions of the people. __X__ At least three-fourths of Israel's budget goes to defense. _____ The United States uses more oil than any other country. __X__ During the oil crisis each state was given a percentage of the gas they had used the previous year. _____ Approximately three hundred million people attended movies in India last year.

NOTES TO THE TEACHER	ACTIVITIES
Easily used as a test.	6. DIRECTIONS: Below are descriptions of five graphs or charts. Place an X beside the descriptions of the <u>two</u> that show DISTRIBUTION. __X__ A chart showing the number of tons of coal the United States exported to given countries. _____ A graph showing the amount of coal mined in the United States over a five year period. _____ A graph showing the amount of electricity used in the United States over a thirty year period. __X__ A chart showing how much federal support each state received during 1973. _____ A graph showing the number of bushels of wheat grown in Kansas between 1900 and 1950.
Easily used as a test.	7. DIRECTIONS: Below are description of six graphs and charts. Place an X beside the descriptions of the <u>two</u> charts which show DISTRIBUTION. _____ A chart showing the number of bushels of corn grown in the United States between 1960 and 1970. __X__ A chart showing the allocation of gasoline to each state during the energy crisis of 1974. _____ A graph showing the number of kilowatt hours used in Miami over a five year period. _____ A graph showing the number of hot dogs eaten at the Miami Dolphins/ football games over a five year period. __X__ A chart showing the number of electrical plants in each part of the country in 1973. _____ A chart showing how many cars were made by the Ford Motor Company between 1960 and 1970.

VI. ACTIVITIES

LEVEL 4 (5, 6)

B. The component parts of our economic system.

4. Distribution

b. The student will identify statements that are exemplary of income distribution.

NOTES TO THE TEACHER	ACTIVITIES
	1. DIRECTIONS: Place an X next to the statements which show how income (money earned) might be spent. ____ Fred talked to his friend. _X_ Judy bought a new car. _X_ Sam and Joan saved their allowance for three weeks to buy a present for their parents. ____ Our dog chased a cat. 2. Have students list all the possible ways that a family's income might be spent. 3. List the expenses that a Colonial American family would have had. Now list all of the Colonial American family's needs. How did the Colonial American family satisfy the needs that were not paid for?

VI. ACTIVITIES

LEVEL 4 (5, 6)

B. The component parts of our economic system.

4. Distribution

c. The student will cite evidence to support or refute the hypothesis that goods and services are distributed to those who are not producers.

NOTES TO THE TEACHER	ACTIVITIES
	1. Have the students list or name anyone who is a consumer but who is not a producer. 2. a. Which of the statements below indicate that a non-producer can be a consumer: __X__ Baby Timmy drank his orange juice. __X__ Dr. Wilson and her husband always feed three stray cats that come to their house. _____ I saw two police officers splitting a pizza for lunch last Monday. _____ Jane ate her lunch. b. Now have the students write at least three statements which illustrate non-producers who are consumers.

RESOURCES

DISTRIBUTION - LEVEL 4 (5, 6)

STATE ADOPTED TEXTUAL RESOURCES:

Senesh, Lawrence. "American Way of Life" (Grade 5), and "Regions of the World" (Grade 6), Our Working World. S.R.A.

Teacher's Resource Guide:
Chapters 1, 6, 8, 10, 11, 15, 19, 22, 25, 27, 28 (Grade 5)
All Chapters (Grade 6)

"The United States" (Grade 5), and "The Way People Live" (Grade 6), Windows On Our World. Houghton Mifflin.

Unit 5 (Grade 5)
Unit 7 (Grade 5)
Unit 3 - Lessons 10, 11, 12, 13 (Grade 6)

"This Favored Land" (Grade 5), Focus on Active Learning. Macmillan Publishing Company.

Chapters 5, 15, 16, 17, 18, 19, 20

"People in the Americas" (Grade 5), and "People and Change (Grade 6), Social Science Series. Silver Burdett.

Chapters 7, 9, 15, 16, 17 (Grade 5)
Chapter 4 - Lesson 4 (Grade 6)

"Purple" (Grade 5), and "Brown" (Grade 6), Concepts and Values. Harcourt, Brace, Jovanovich.

Unit 4 (Grade 5)
Unit 4 (Grade 6)

VI. ACTIVITIES

LEVEL 4 (5, 6)

B. The component parts of our economic system.

5. Specialization

a. The student will define specialization as the means by which individuals, groups, or societies concentrate on one job and do it efficiently (instead of trying to do all jobs).

NOTES TO THE TEACHER

COLONIAL JOB	Done By	Still Done Today	Done Today By
Building	Groups of Neighbors	Yes	Construction Firms

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ACTIVITIES

1. a. Have students list at least ten jobs done in the time of Colonial America. (i.e., BLACKSMITH, CANDLE DRIPPING, COOPER, BUILDING, WEAVING)

   b. Next to each colonial day job list:
   - who did the job in Colonial America
   - if this job is still done today in America
   - who does this job in present day American society

2. a. DISCUSSION: Using corn as an example, compare the different ways of producing it, in early days and today.

STEPS	EARLY DAYS	PRESENT TIME
Preparing land	Hand plowing	Machine plowing
Planting	Hand sowing of seed	Maching sowing
Fertilizing	Fish	Commercial fertilizer
Harvesting	Hand picked	Combine
Milling	Hand grinding	Machine grinding
By-Products	Corn-on-the-cob	Corn-on-the-cob
Products	Ground corn meal or bread pudding or corn meal	Corn meal, corn bread corn cereals, corn chips corn oil, margarine

   b. Follow the same process for other crops which farmers grew in Colonial America and still grow today.

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VI. ACTIVITIES
(Continued)

LEVEL 4 (5, 6)

NOTES TO THE TEACHER	ACTIVITIES

3. DIRECTIONS: Compare the pairs of economic terms listed below. Place an X beside the one term in each pair that is the most SPECIALIZED.

1. ____ Restaurant
   __X__ Pizza Parlor

2. ____ Chamber of Commerce
   __X__ Gasoline Dealers Association

3. __X__ Secretary
   ____ Office Assistant

4. __X__ United Mine Workers
   ____ AFL-CIO

5. ____ Musician
   __X__ Violinist

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VI. ACTIVITIES

B. The component parts of our economic system

5. Specialization

b. The student will discriminate between situations in which change is toward specialization and those where it is not.

NOTES TO THE TEACHER	ACTIVITIES
	1. Have students discuss the following questions: - How many different supermarkets are located in our community? (approx.) - How many different kinds of gasoline stations? - What could happen to the price of a product if there was only one kind of supermarket or gas station? - What could happen to the quality of the service? Why? - What do you think the work monopoly means? 2. Have students discuss the number of telephone and electric companies serving the local area. Do they have any competition? Identify these companies as natural monopolies. What are the advantages to the public of having these natural monopolies? Consider the number of lines and the amount of equipment which would be involved if there were five telephone companies serving one area. Since there is only one supplier and much demand for this service, why doesn't the price rise? Explain that the government exerts certain controls over natural monopolies. 3. Since the supplies of natural resources are limited and the population of the U.S. is growing, the government takes a role in conserving some of our natural resources. Have students locate examples of conservation activities. They should research the methods used by government to reduce waste, i.e., conservation of soil, water, plant life, animal life, and minerals.

VI. ACTIVITIES
(Continued)

LEVEL 4 (5, 6)

NOTES TO THE TEACHER	ACTIVITIES
Easily used as a test.	4. One type of specialization is called GEOGRAPHIC SPECIALIZATION. This means that part of a country or a whole country uses its resources to make only one thing or a very few things. DIRECTIONS: Using this definition, place an X by the <u>two</u> sentences below that show GEOGRAPHIC SPECIALIZATION. ____ Sarah is learning how to be a plumber. _X_ Switzerland is known for watches. ____ Gulf Oil Company makes gasoline. _X_ A lot of land is used to raise beef cattle in Texas. ____ Arthur makes model cars. ____ Georgia buys fruit from other states.
Easily used as a test.	5. GEOGRAPHIC SPECIALIZATION occurs when geographic regions and/or nations restrict their productive efforts rather than having a self-sufficient economy. DIRECTIONS: Using this definition, place an X by the <u>two</u> statements below which represent examples of GEOGRAPHIC SPECIALIZATION. ____ Midtown College of Technology is noted for its school of space technology. _X_ The midwestern U.S. raises most of the country's corn and wheat. ____ Robinson Motor Company produces a "land and water" automobile. _X_ Brazil's economy is primarily dependent on coffee. ____ Walt Disney Productions concentrates on movies for children and the family. ____ Thailand imports many manufactured products from the United States and Western Europe.

NOTES TO THE TEACHER	ACTIVITIES
Easily used as a test.	6. DIRECTIONS: Place an X by the <u>two</u> statements below which show GEOGRAPHIC SPECIALIZATION. _____ Standard Construction concentrates on building office buildings. _____ Ace Business School trains people to be bookkeepers and secretaries. _X_ The southern United States is noted for cotton and tobacco. _____ The Grants have five children who are heart surgeons. _X_ Bolivia's economy relies mainly on exporting tin. _____ Bermuda imports all of the island's automobiles.
Easily used as a test.	7. DIRECTIONS: Below are seven statements regarding change in economic systems. Place an X beside the <u>three</u> statements in which the change is toward SPECIALIZATION. _____ A few years ago the U.S. used oil as its main energy source, but today we want to have as many energy sources as possible. _____ Volkswagon used to be famous for the Beetle, but now they make the Super Beetle, The Thing, and many other well known cars. _X_ There are more skilled workers in the United States today than at any other time in history. _____ Although production is usually greater than consumption, it appears that every time production increases, consumption seems to increase. _X_ Many automobile companies have reduced production of their large cars and are trying to improve the quality and increase quantity of their small car production. _X_ Jimmy Stewart used to sing and dance as well as act, but has become famous by concentrating on acting. _____ That magazine used to print only non-fiction, but now it also includes cartoons, short stories, and short novels.

VI. ACTIVITIES

LEVEL 4 (5, 6)

B. The component parts of our economic system.

5. Specialization

c. The student will examine the hypothesis that increased specialization provides a higher standard of living through increased productivity.

NOTES TO THE TEACHER	ACTIVITIES
	1. Ask students to think of items for which demand changes with the price. (High price - low demand -- lower price - higher demand.) An example of this idea would be farm vegetables in and out of season.
	2. Have students talk with their families about items which they may buy only if there is a sale.
	3. Ask students to list several grocery items on the chalkboard. Ask which of these would your family use more of if the price went down, less of if the price rose, or about the same amount in spite of price changes? (Teacher should be sure that the list includes items for which there is fairly constant demand, such as flour, seasonings, toothpaste, eye glasses, aspirin, etc.)
Collins, Robert. East to Cathay. New York: McGraw Hill Book Co., 1968.	4. Because the Chinese were the first people to make cloth from the web of the silkworm, their product was in great demand from distant countries. In East to Cathay, Robert Collins tells of the terrible hardships that were endured by the men who had to brave extremes of heat and cold as well as the ferocity of enemy barbarians in trying to establish trade routes for the much-desired silken cloth. The Chinese in those times were specialists in spinning, weaving, and dyeing the silk and were able to produce far more than they needed at home. On the other hand, they did need some of the products of the Persian and Roman empires; thus, their oversupply of silk enabled them to barter it for the other goods that they needed. In those early times, however, the dangers from the Tartars and other barbarous tribes make this book exciting in itself as well as for its lesson about a country's development by means of its sale of a specialized product.

Continued---

NOTES TO THE TEACHER	ACTIVITIES
	4. ACTIVITIES: a. Ask a fabric store for some swatches of different colors of silk. The book mentions how well silk takes various dyes. Also, it tells about paintings on the silk, and this would be easy to demonstrate by cutting a vine and leaf stencil with a single-edged razor blade or shart knife. Then, with a tiny bottle of green textile paint, the class could watch the design appear upon the silk cloth. Furthermore, since silk is the product of a small animal, the silkworn, the class would be interested to see a comparison of the flammability of animal fibers such as silk and wool compared to that of vegetable fibers like cotton, or synthetics like nylon. b. Another project would be possible if the class could see an actual cocoon similar to the one the silkworm spins from which the silk thread is then taken. And they could understand the silkworm raising better if they could see real leaves from a mulberry tree, the sole food of the silkworm. c. Trace on a wall map the routes followed by the silk traders. Or, if no wall map is available, trace one from a book onto a ditto master and make a copy available for each child. Then, they will be able to color in the hazardous route from China to Persia to Rome of the silk traders of early days.

RESOURCES

SPECIALIZATION - LEVEL 4 (5, 6)

CHILDREN'S LITERATURE:

Howard, Robert West. Farms. Franklin Watts, Inc., 1967. Subject: Production, specialization, economic growth. Reading level: 5th - 6th grade.
This narrative examines the most important social and economic elements of agricultural production including the various climatic and geographical factors which lead farms in different locations to specialize in different products. The important research and development in agriculture is also noted. The story serves as a starting point to discuss the relative merits of two different methods of allocating agricultural resources -- the free market on the one hand and government controls on the other.

Emberley, Barbara. Drummer Hoff. Prentice-Hall, Inc., 1967. Subject: Specialization. Reading level: 5th - 6th grade.
Job specialization is explained through a description of the different roles played by members of a group of soldiers in the process of firing a cannon. The importance of the division of labor in obtaining the most efficient utilization of available labor is stressed. The story helps to show that all people depend on others to provide many of the goods and services they need.

Sterling, Monica. The Cat from Nowhere. Harcourt Brace Jovanovich, 1969. Subject: Economics, division of labor. Reading level: 6th grade.
The operation of a Swiss resort hotel is examined in this story with emphasis on the way a division of labor among the hotel's employees leads to the most efficient provision of the hotel's many services. The purpose of this story is to explain why businesses specialize in providing certain products or services so that more can be produced. It emphasizes that trade enables everyone to enjoy this increased production.

RESOURCES

SPECIALIZATION - LEVEL 4 (5, 6)

STATE ADOPTED TEXTUAL RESOURCES:

"American Way of Life" (Grade 5), and "Regions of the World" (Grade 6), Our Working World. Science Research Associates.

Teacher's Resource Guide:
Chapters 8, 11, 28 (Grade 5)
All Chapters (Grade 6)

"The United States" (Grade 5), and "The Way People Live" (Grade 6), Windows On Our World. Houghton Mifflin.

Unit 3 - Lesson 4 (Grade 5)
Unit 5 (Grade 5)
Unit 6 - Lesson 4 (Grade 5)
Unit 7 (Grade 5)
Unit 1 - Lesson 13 (Grade 6)
Unit 3 - Lessons 6, 7, 8, 9, 10, 11, 12, 13 (Grade 6)

"This Favored Land" (Grade 5), and "The Ways of Man" (Grade 6), Focus on Active Learning. Macmillan Publishing Co.

Chapters 2, 5, 15, 16, 17, 18, 19, 20 (Grade 5)
Many Ways to Make a Living - Pages 177 - 210 (Grade 6)

"People and Culture" (Grade 6), Man and His World. Noble and Noble.

Unit 3 - Pages 163 - 175

"People in the Americas" (Grade 5), Social Science Series. Silver Burdett.
Chapters 9, 14 (Lesson 4), 15, 16, 17

"Purple" (Grade 5), Concepts and Values. Harcourt Brace Jovanovich.

Unit 4

"People in America" (Grade 5), and "People in Change" (Grade 6), Taba Program in Social Science. Addison Wesley.

Unit 6 (Grade 5)
Unit 6 (Grade 6)

VI. ACTIVITIES

LEVEL 4 (5, 6)

B. The component parts of our economic system.

6. Economic Interdependence

a. The student will define economic interdependence as the conditions under which specialized people work together and depend on each other to meet their needs and wants.

NOTES TO THE TEACHER	ACTIVITIES
	1. If Mr. Jones is in the retail drug business, what other businesses must he depend upon? Could he operate his business without them? What businesses are dependent on Mr. Jones' business? (Repeat with other kinds of business if necessary.)
Leydenfrost, Robert. The Other Side of the Mountain. Macmillan, 1968. Subject: Interdependence. Reading level: 5th grade.	2. The concept of interdependence is illustrated through the example of an artist who befriends and helps animals who, in their turn, become subjects for the paintings of the artist who sells them to earn his livelihood. Students can learn to understand the importance of specialization and interdependence in helping a society to decide which goods and services and how much of each should be produced to satisfy economic wants and needs.
Dietz, Elizabeth H. You Can Work in the Communications Industry. John Day Company, 1970. Subject: Specialization, interdependence. Reading level: 6th grade.	This story describes the daily operations of different communications media. through an analysis of the different jobs required in providing the services of the various media to the consumer the notion of specialization through division of labor and the concept of interdependence among different work units within a business firm are introduced. The advantages (increased productivity) and consequences (interdependence) of specialization are also noted. a. Have two groups of students responsible for reading and reporting about the above listed books. b. Class discusses books. c. Have students role-play or draw scenes suggested to them by one of these books.

VI. ACTIVITIES
(Continued)

LEVEL 4 (5, 6)

NOTES TO THE TEACHER	ACTIVITIES

3. Have students fill in the chart below:

	(JOB)	IS DEPENDENT UPON (JOB)	FOR
a.	(Grocer)	(Farmer)	(Fresh Produce)
b.	(Publisher)	(Paper Mill)	(Paper for books)
c.	ETC.		

VI. ACTIVITIES

LEVEL 4 (5, 6)

B. The component parts of our economic system.

6. Economic Interdependence

b. The student will discriminate between persons that are and are not engaged in activities that demonstrate interdependency.

NOTES TO THE TEACHER	ACTIVITIES
Easily used as a test. You may want to make a ditto for the whole class.	1. DIRECTIONS: Below are three sets of countries. Place an X beside the two countries in each set which are most likely to be INTERDEPENDENT.

SET I

____ The United States has always had a diversified economy with both agricultural and industrial production.

__X__ Switzerland's economy has always emphasized crafted machinery.

__X__ Chile has always based its economy on mining of ores and produces none of its own machinery.

SET II

____ Russia's large size makes it possible for her to provide many types of agricultural products and also have a large output of industrial goods.

__X__ Iceland is well known for fish, its main product.

__X__ Hungary is a large grain producing country, but produces little else for use or export.

SET III

__X__ Columbia, a cool country, produces only coffee, but utilizes large amounts of oil for heating.

____ Italy's production varies from wines, citrus, and olive oil to automobiles, ships, and heavy machinery.

__X__ Saudia Arabia produces a very valuable product - oil, but must import everything else.

NOTES TO THE TEACHER	ACTIVITIES
Easily used as a test. You may want to make a ditto for the whole class.	2. DIRECTIONS: Below are three sets of companies. Place an X beside the two companies in each set which are most likely to be INTERDEPENDENT.

SET I

__X__ A.M.X. Company produces only tires.

_____ The Irdl Company produces tires, rubber, and chemical products.

__X__ The Plink Company produces only rubber, but uses many trucks to transport the raw materials.

SET II

__X__ Ajax produces only nuts.

__X__ Amco produces only bolts.

_____ The Ling Company produces nuts and bolts.

SET III

_____ Amalgamated Corporation uses many resources and produces all types of products.

__X__ Arvco uses heavy machinery to produce oil.

__X__ A.B.B. Company uses oil to run its equipment to produce heavy machinery.

NOTES TO THE TEACHER	ACTIVITIES
Easily used as a test. You may want to make a ditto for the whole class.	3. DIRECTIONS: Using this definition, place an X beside the two tribes described below whose members are INTERDEPENDENT. X THE WANMALUK TRIBE is mainly concerned with survival. They are a small group in a harsh, icy environment. The men of the tribe are responsible for finding and killing the whales which is a full time job. While the men are gone, the women are busy preserving the meat from previous kills and making clothes from the skin of whales. Even the children play a part by feeding the dogs the remains of the whales. They also chew the whaleskin to make it soft enough for sewing. ___ THE EEKERSNAY TRIBE may or may not have a problem. The tribe has been attacked by the English. Some members of the tribe want to fight back and some members want to surrender because they prefer the English to their own tribal government. Those who want to fight can't decide whether to fight on the river in canoes or in the jungle. The warriors have split into two groups over the problem. They can't reach a decision because they can't decide on leaders either. Since the first English attack two weeks ago, all they have done is argue. X THE WAMPOT TRIBE is a rural tribe whose economy is based on pottery. All members of the tribe are involved in some phase of pottery production. Children gather the clay, men shape and fire the pots, women paint the hard clay, and the older men and women sell the pots by the roadside to tourists. The process has been so successful that the Wampots have become the richest tribe in the area.

NOTES TO THE TEACHER	ACTIVITIES
Easily used as a test. You may want to make a ditto for the whole class.	4. DIRECTIONS: Put an X by the <u>two</u> pairs of children below that are INTERDEPENDENT. __X__ JOHN and BILL are in Mrs. Williams' class. They always get good grades on their report cards. Neither boy is real smart, but they work together. John is good in arithmetic and he teaches Bill. Bill is good in reading and he teaches John. Together they learn a lot. ____ WAYNE and GEORGE are in Mr. Phillips' class. They always get good grades, too. Wayne studies every day at the library. George studies every day at home. They boys like each other and play together a lot. __X__ JOAN and ROSE like to play basketball. Joan has basketball but no net. Rose has a net but no basketball. The two girls live near each other and have become good friends. Together they can play basketball every day and have a good time. ____ PAT and BARBARA like to go to the movies. They live beside each other and have been good friends for years. Every Saturday they to to the movies. Sometimes they go together and sometimes they go with other people. Neither has missed a Saturday movie in years.

NOTES TO THE TEACHER	ACTIVITIES

5. DIRECTIONS: Study the data below showing imports and exports for five countries.

COUNTRY A

Import: Iron

Export: Steel

COUNTRY B

Import: Gold

Export: Oil

COUNTRY C

Import: Machinery

Export: Iron

COUNTRY D

Import: Steel

Export: Machinery

COUNTRY E

Import: Oil

Export: Gold

Continued---

VI. ACTIVITIES
(Continued)

LEVEL 4 (5, 6)

NOTES TO THE TEACHER	ACTIVITIES

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5. DIRECTIONS: Below are three diagrams of possible trade between the countries. Place an X in the space provided above the diagram which shows trade among the INTERDEPENDENT countries.

DIAGRAM #1 X

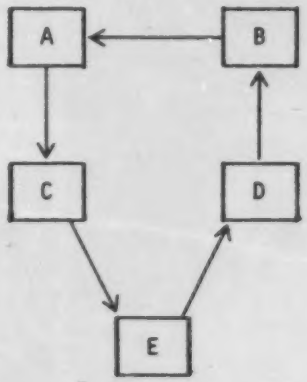


DIAGRAM #2 X

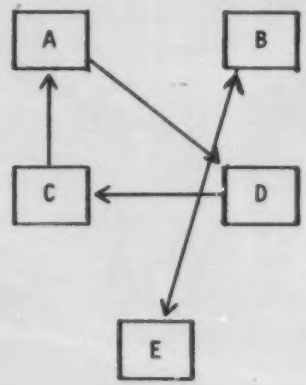
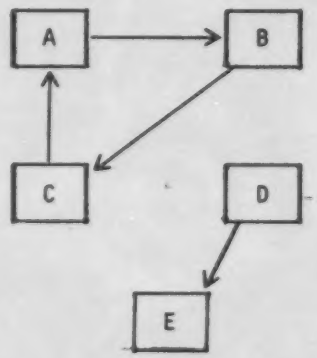


DIAGRAM #3 ____



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NOTES TO THE TEACHER	ACTIVITIES

6. DIRECTIONS: Study the information below which shows the imports and exports for four countries.

COUNTRY A	
Import:	Fish
Export:	Rice

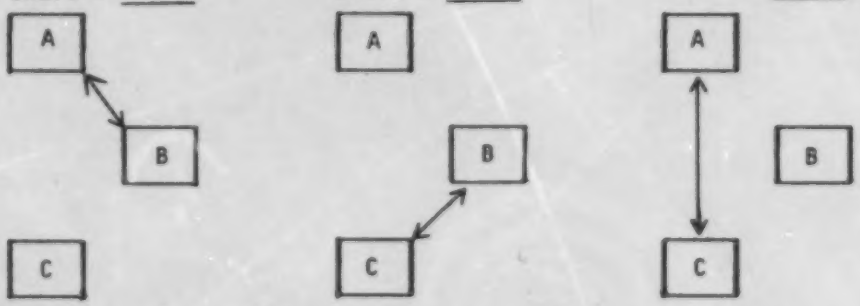
COUNTRY B	
Import:	Beef
Export:	Fish

COUNTRY C	
Import:	Rice
Export:	Beef

COUNTRY D	
Import:	Iron Ore
Export:	Machinery

DIRECTIONS: Below are three charts showing possible trade combinations. Place an X beside the chart which shows trade among the INTERDEPENDENT countries.

Chart 1 ____ Chart 2 ____ Chart 3 X



NOTES TO THE TEACHER

ACTIVITIES

7. DIRECTIONS: Below is information about three countries. Study what each country needs and what each country has.

COUNTRY A	
Needs:	Fish
Has:	Wheat

COUNTRY B	
Needs:	Chickens
Has:	Corn

COUNTRY C	
Needs:	Wheat
Has:	Fish

DIRECTIONS: The three charts below show how the countries might trade with each other. Put an X by the chart which shows trade between the INTERDEPENDENT countries.

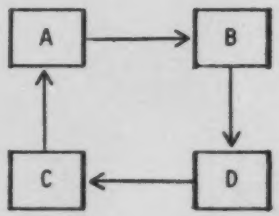


Chart 1 ____

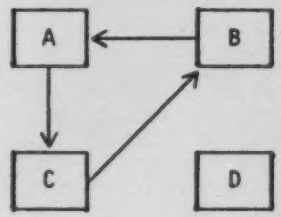


Chart 2 X

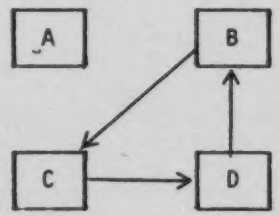


Chart 3 ____

NOTES TO THE TEACHER	ACTIVITIES
Saunders, Wenderoth F. Building Brooklyn Bridge. Little, Brown, and Company, 1965. Subject: Public works, employment, production. Reading level: 2nd - 3rd grade. This book is written at the primary level. It is a good "model" book for interdependence stories.	8. The construction of the Brooklyn Bridge and its impact on the local economy are discussed. The economic impact of such a project is shown to be many-fold; the actual construction provides a source of employment to many people, while the bridge in its completed form yields benefits to society in the form of reduced costs for the transportation of goods and reduced travel time for individuals engaged in both business and pleasure. This is an example of public investment in social overhead capital. a. Read the above book to the class and discuss how one action (building the bridge) sparked many dependent actions. b. Have several students draw a mural of all the events in the book starting with the building of the bridge. c. Have the students write their own short stories or illustrated booklets about any situation or event which triggers many other events. They can use Building Brooklyn Bridge as a model for the structure of their own stories.

VI. ACTIVITIES

LEVEL 4 (5, 6)

B. The component parts of our economic system.

6. Economic Interdependence

c. The student will examine the hypothesis that an action by one person will affect other persons who are dependent upon that person.

NOTES TO THE TEACHER	ACTIVITIES
	1. Choose one of the three charts (# 5, 6, & 7) in section 'b' of Economic Interdependence Level 4. Describe or illustrate what might happen to each country if one of the interdependent countries stopped trading with the other countries. 2. Have each student in the class responsible for saying one phrase or line from any poem, story, or song. a. Have the class practice the poem, story, or song with each student saying each part correctly. b. Ask several students to either misquote his/her part or not say it at all. Now, how does it sound? WHY? 3. Have several students organize an interdependent activity to demonstrate to the class (i.e., collating several printed sheets, preparing a clay statue in assembly line fashion, preparing a recipe in assembly line fashion). After this group has functioned correctly several times, have one person do his/her part incorrectly. What happens to the group's activity?

RESOURCES

ECONOMIC INTERDEPENDENCE - LEVEL 4 (5, 6)

STATE ADOPTED TEXTUAL RESOURCES:

Senesh, Lawrence. "American Way of Life" (Grade 5), and "Regions of the World" (Grade 6), Our Working World. Science Research Associates.

Teacher's Resource Guide:
Chapters 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 15, 19, 22, 23, 24, 25, 26, 27, 28 (Grade 5)
All Chapters (Grade 6)

"The United States" (Grade 5), and "The Way People Live" (Grade 6), Windows On Our World. Houghton Mifflin.

Unit 5; Unit 6 - Lesson 5; Unit 7 (Grade 5)
Unit 3 - Lessons 10, 11, 12, 13 (Grade 6)

"This Favored Land" (Grade 5), Focus on Active Learning. Macmillan Publishing Company.

Chapter 1

"People in the Americas" (Grade 5), Social Science Series. Silver Burdett.

Chapter 9

"Purple" (Grade 5), and "Brown" (Grade 6), Concepts and Values. Harcourt, Brace, Jovanovich.

Unit 6 (Grade 5)
Unit 6 (Grade 6)

"People in America" (Grade 5), and "People in Change" (Grade 6), Taba Program in Social Science. Addison-Wesley.

Unit 6 (Grade 5)
Unit 1 (Grade 6)

VI. ACTIVITIES

LEVEL 4 (5, 6)

B. The component parts of our economic system.

7. Free Enterprise

a. The student will define free enterprise as being based on the idea that people can invest capital in businesses in order to try to earn a profit.

NOTES TO THE TEACHER	ACTIVITIES

1. In a class discussion, it should be brought out that businessmen think that their products will be wanted by consumers. Questions such as these should be discussed:

   - Is there any guarantee that a business will have customers to buy the goods or services which are for sale? (NO, therefore, if a businessman is successful, he receives a special reward for risk taking. This special reward is referred to as profit.)
   - What are the reasons new stores open in the neighborhood, or old stores close down? (Poor management, competition from bigger or better stores, old age or sickness of the owner, failure to correctly evaluate consumer demand, failure to keep up with new developments in the product field.)

2. HOW PROFITS ARE MADE:

   a. The shoe repair man must pay:

Rent	$ 250.
Materials	175.
New Equipment	150.
Polish, laces	20.
Other expenses	25.
	$ 620.

   The shoe repair man receives:

Shoe Repairs	$ 450.
Polish, laces	200.
Shoe shines	25.
Dyeing shoes	30.
	$ 705.

   DID HE MAKE A PROFIT? IF SO, HOW MUCH?

Continued---

NOTES TO THE TEACHER	ACTIVITIES
Students may complete this activity individually, by partners, or in small groups.	2. b. The baker must pay: / The baker sells:

Rent	$ 250.	Bread	$ 300.
Materials	250.	Cakes	200.
New Book	50.	Buns	200.
Baker's Salary	250.	Cookies	180.
	$ 800.		$ 880.

DOES THE BAKER MAKE A PROFIT? IF SO, HOW MUCH?

3. What expenses are involved in operating a barber shop ... shoe repair shop ... movie theatre, etc. ...?

What money or income is received by each?

VI. ACTIVITIES

B. The component parts of our economic system

7. Free Enterprise

b. The student will distinguish between individual enterprise and government ownership of the means of production.

NOTES TO THE TEACHER	ACTIVITIES
Maher, John E. and S. Stowell Symmes. Learning About People Working for You. Franklin Watts, Inc., 1969. Subject: Economic systems. Reading level: 5th - 6th grade.	1. The concept of an economic system is introduced in this story which explores the interaction of supply and demand in determining the final menu of goods and services available to society. The roles of money, wages, and profits are illustrated and the interdependence of producers and consumers is described through a simplified explanation of a circular flow model of economic activity. The importance of private property is also noted. a. Have several students read this book and report on it to the class. b. Have students list or name all the privately owned businesses in their community. 2. Have several students responsible for individual drawings or a mural depicting government owned businesses. 3. Play "scrambled words" with government jobs, i.e.: "ELSIDRO" unscrambled is "SOLDIER" "EHEACRT" unscrambled is "TEACHER"

RESOURCES

FREE ENTERPRISE - LEVEL 4 (5, 6)

STATE ADOPTED TEXTUAL RESOURCES:

Senesh, Lawrence. "American Way of Life" (Grade 5), and "Regions of the World" (Grade 6), Our Working World. Science Research Associates.

Teacher's Resource Guide:
Chapters 2, 3, 4, 8, 11, 15, 19, 22, 25, 28 (Grade 5)
Chapters 4, 9, 12 (Grade 6)

"People in the Americas" (Grade 5), Social Science Series. Silver Burdett.

Chapter 9

VI. ACTIVITIES

C. Consumer Education Topics

1. Advertising

The student will be able to classify examples of different advertising techniques.

NOTES TO THE TEACHER	ACTIVITIES
	1. Students may walk through a supermarket, listing the different manufacturers of soap (or any other product). Have students respond to: - How does each company try to attract and hold customers? - In what ways might the consumer evaluate soap products? (Attractive package, easy to use, pleasant odor, cleaning ability, not harmful, money-back guarantee, premiums offered.)
	2. Members of the class can role play as sales representatives of various products. Individuals can select one of the following categories of products and then represent a specific brand in that category: GASOLINE, PET FOOD, BREAD, LAUNDRY DETERGENT, HAIR CREAM Each individual must try to convince others that his product is the one that they should buy. Reasons which might be given are the various uses of the product, characteristics, premiums, appearance, etc.
	3. Until recently, the variety of dry cereal available to consumers was fairly limited. However, today there is a tremendous selection from which to choose. Have students visit a local grocery store and prepare a list of available cereals along with special features of each. Compare the "special features" of each. How similar or different is each product? How is the advertiser trying to appeal to its possible consumers?
	4. Form student committees and have them develop a set of questions relating to consumer satisfaction of a given product or service. Questions may relate to what it is said the product or service will do. A suggested format is printed on the following page:

Continued---

VI. ACTIVITIES
(Continued)

LEVEL 4 (5, 6)

NOTES TO THE TEACHER	ACTIVITIES
	4. QUESTION ABOUT PRODUCT / VERY SATISFACTORY / SATISFACTORY / NOT VERY SATISFACTORY / NOT USED a. _____ b. _____ etc. _____
Aid students to recall the advertising both informs the consumer about a product and helps to promote sales.	5. Have students select five advertisements for various brands of a similar product. Then direct students to: a. List the information presented in the ads. b. Note any special appeals contained in the advertising copy.
	6. Have students list two products which might be sold effectively through each of the following types of advertising: STORE DISPLAY, NEWSPAPER OR MAGAZINE, DIRECT MAIL, RADIO, TV, or FREE MERCHANDISE COUPONS.
	7. Students may analyze selected advertisements listing information that is given about the product, relevant information that is NOT given about the product, and information given that is really unrelated to the product.
	8. Have students analyze a TV commercial telling the type of advertising, claims made, and persuasiveness.

NOTES TO THE TEACHER	ACTIVITIES
Students may choose one of their advertisements to present to the class as a TV, newspaper, or radio ad. Students then ask class which type of advertising was used in their demonstration ad.	9. Students make a booklet with examples of each of the following types of advertising: - Stating product differences (i.e., "Better than Brand X") - Endorsement or testimonial by a celebrity - Image making ("if you use this, all the kids will want to be your friend;" the in-crowd) - Bandwagon ("Everyone is using . . .") - Creating good-will ("Expresso Gasoline Company is Working for YOU") - Humor (Use of cartoon figures, etc.; i.e., "You want a Hawaiin Punch?" character) - Slogan (A clever phrase describing product or what it will do for you. Often combined with other techniques when advertising.) - Stating Facts (Product improvement, statistics, results of research, etc.)
You may want to make a ditto of this activity as a guidesheet for the class.	10. "Make up" a useful product. But how do you convince the buying public that they cannot live without YOUR product? You must ADVERTISE your product!! Create a newspaper advertising campaign. Make is sound so interesting and vital -- describe it so vividly -- that no buyer could resist. Pick out your product's strongest and/or most different aspects and point these out. A clever slogan can help. Use adjectives (descriptive words) that will tempt your potential customer into buying your product. Choose your approach carefully -- "HARD SELL" vs. "SOFT SELL." After campaign slogan, approach, and description of product are chosen, you will be creating a mini billboard.

NOTES TO THE TEACHER	ACTIVITIES
Review with students the four Consumer Rights and four Consumer Responsibilities. See C. Consumer Education Topics 1. Advertising in Level 3 of this manual.	11. a. Have students individually, with partners, or in small groups, write short stories, booklets, or short skits illustrating at least one consumer right and the consumer responsibility which corresponds to that right. b. Students should present each short story, booklet, or short skit to the class. After each presentation, have the students identify the consumer right and corresponding consumer responsibility which was illustrated.
The analysis of radio and store ads can also be included in this activity. See activity #9 in this section for some types of advertising.	12. Have students analyze TV and newspaper advertising for a week and fill in the following chart:

	PRODUCT ADVERTISED	WHERE AD SEEN	DAY OF WEEK	TIME OF DAY	TYPE(S) OF ADVERTISING USED
a.	Hawaiin Punch	TV	Tues.	8:15 pm	Humor (cartoon) & stating facts
b.					

etc.

13. a. Have students carefully examine the four questions concerning advertisements listed below. Discuss in class in order to clarify each question.

- What does the advertisement promise me? (In fact and in spirit)
- Does the promise meet my wants, needs, or interests?
- Do I need more information? Where can I get this information?
- Is the advertiser reputable? Where can I check?

Continued ---

NOTES TO THE TEACHER	ACTIVITIES
	13. b. Assign individual, partner, or group work. - One group researches the answer to the second part of the fourth question in activity #12 (where to find information about a producer). - All other groups choose at least two types of products (i.e. window cleaner and car way), picks one advertisement for each product, and analyzes that advertisement using the first three questions in activity #12. c. When all assignments are completed, each group presents its findings to the class.

RESOURCES

ADVERTISING - LEVEL 4 (5, 6)

STATE ADOPTED TEXTUAL RESOURCES:

Senesh, Lawrence. "American Way of Life" (Grade 5), and "Regions of the World" (Grade 6), Our Working World. Science Research Associates.

Teacher's Resource Guide:
Chapter 25 (Grade 5)
Chapter 14 (Grade 6)

VI. ACTIVITIES

LEVEL 2 (2, 3)

C. Consumer Education Topics

2. Banking

The student will identify different types of services that financial institutions provide..

NOTES TO THE TEACHER	ACTIVITIES
	1. a. Have several students interview bank personnel concerning the services provided to customers by that bank. b. Report findings of the interview to the class.
Have students research any terms which are unfamiliar.	2. a. Identify and define the following terms: SAVINGS ACCOUNT — CHECKING ACCOUNT INTEREST — LOAN MORTGAGE — SAFETY DEPOSIT BOX b. Using the definitions written for section "a" for the clues, make a crossword puzzle. The terms in section "a" are the answers. You may add any other clues and terms which are appropriate for a banking crossword puzzle.

RESOURCES

BANKING - LEVEL 4 (5, 6)

CHILDREN'S LITERATURE:

Kane, Elmer R. How Money and Credit Help Us. Benefic Press, 1966. Subject: Money, credit. Reading level: 5th-6th grade.
This narrative describes in detail the concepts of money and credit, and the role of the banking system in creating money and extending credit. The story is broad in scope and provides a good introduction to further macroeconomic topics such as the relationships between the money supply and the levels of national income, output and employment.

Paradis, Adrian A. How Money Works: The Federal Reserve System. Hawthorn Books, Inc., 1972. Subject: Money, central banking. Reading level: 6th grade.
The nature of money, where it comes from, and what its function is in our economy is examined. Money, banking, and monetary policy are introduced to help students comprehend a few basic relationships and an elementary understanding of how the chief monetary institutions operate. It briefly traces the history of banking prior to the creation of the Federal Reserve System in 1913, then explains this institution's multiple functions for economic stability. The techniques used by the Federal Reserve authorities to bring about an expansion or contraction of the money supply, and thus of total spending, are discussed in a general way.

Sobol, Rose and Donald. Stocks and Bonds. Franklin Watts, Inc., 1963. Subject: Money, modern financial institutions. Reading level: 6th grade.
A discussion and explanation of modern financial instruments is presented, including an analysis of different types of stocks and bonds, the criteria for making sound investments, and the interpretation of stock market quotations. The story can be used to develop the meaning of investment as it is used in economics, i.e., when businessmen spend money on buying machines or building new factories. A description of a tour of the New York Stock Exchange is included.

Tarshis, Barry. Barter, Bills and Banks. Julian Messner, 1970. Subject: Money and banking. Reading level: 6th grade.
This story serves to illustrate that our whole system of specialized production and of buying and selling goods and services in markets requires the use of money. It describes the earliest forms of money used in different parts of the world, explains how money works in our economy, and introduces the Federal Reserve System as the mechanism of the government to control the lending and deposit-creating activities of the banks. The subject of inflation is briefly treated in connection with the stabilization techniques used by Federal Reserve authorities to bring about a contraction of the money supply and thus of total spending.

CHILDREN'S LITERATURE (Cont'd):

Haban, Russell. A Birthday for Frances. Harper & Row, 1968. Subject: Consumption and savings. Reading level: 6th grade.
This story illustrates the trade-off between savings and present consumption. It is explained that by deferring present consumption, future consumption may be increased. Children can be led to discover that one of the key factors of production is capital and that capital comes as a result of saving. The crucial point stressed is that investment means foregoing the production of consumer goods in favor of the creation of capital goods.

STATE ADOPTED TEXTUAL RESOURCES:

Senesh, Lawrence. "American Way of Life" (Grade 5), and "Regions of the World" (Grade 6), Our Working World. Science Research Associates.

Teacher's Resource Guide:
Chapters 8, 11, 19, 25 (Grade 5)
Chapters 9, 10 (Grade 6)

VI. ACTIVITIES

LEVEL 4 (5, 6)

C. Consumer Education Topics

3. Budgeting

The student will demonstrate that he/she can prepare a budget based upon income earned from chores or a weekly allowance.

NOTES TO THE TEACHER	ACTIVITIES
	1. Suppose you receive $1.00 a week for your allowance. You want to purchase a game that costs $3.50. a. How long will it take you to save for the game? b. You spend 25¢ a week for something else (i.e., gum). How long will it take you to save for the game? 2. If you did several chores and earned $10.00, how would you use your earnings? Have at least five ways that these earnings could be used.

RESOURCES

BUDGETING - LEVEL 4 (5, 6)

STATE ADOPTED TEXTUAL RESOURCES:

Senesh, Lawrence. "Regions of the World" (Grade 6), Our Working World. Science Research Associates.

Teacher's Resource Guide:
Chapter 16

"Purple" (Grade 5), Concepts and Values. Harcourt, Brace, Jovanovich.

Unit 4

VI. ACTIVITIES

LEVEL 4 (5, 6)

C. Consumer Education Topics

4. Credit

The student will be able to explain the advantages and disadvantages of buying on credit (costs and benefits).

NOTES TO THE TEACHER	ACTIVITIES
Some students can make newsprint or oaktag posters stating the advantages and disadvantages of buying on credit to display in the class. Students can prepare questions before the speaker's visit.	1. Have a person who works in the credit department of a retail store or in a bank speak to the class about the advantages and disadvantages of buying on credit. HAVE SEVERAL STUDENTS RESPONSIBLE FOR TAKING NOTES ABOUT CREDIT. 2. Have small groups of students roleplay or illustrate and write a short story or booklet about one of the two following families: a. The Bleg family is careful about all expenditures of the family income, including buying on credit. Tell about how this family buys on credit (demonstrating the advantages of buying on credit). b. The Gleb family is often careless about expenditures of the family income including buying on credit. Tell about how this family buys on credit (demonstrating the disadvantages of buying on credit). 3. Have several students research the meaning of buying on credit including the advantages and disadvantages. When the research is complete, they present their findings to the class.

RESOURCES

CREDIT - LEVEL 4 (5, 6)

STATE ADOPTED TEXTUAL RESOURCES:

Senesh, Lawrence. "American Way of Life" (Grade 5), Our Working World. Science Research Associates.

Teacher's Resource Guide:
Chapters 8, 11, 19, 22

VI. ACTIVITIES

LEVEL 4 (5, 6)

C. Consumer Education Topics

5. Insurance

The student will distinguish between automobile, health, life, and other types of insurance.

NOTES TO THE TEACHER	ACTIVITIES
Some students can make newsprint or oaktag posters naming and defining the various types of insurance to display in the class. The students can prepare questions before the speaker's visit.	1. Have a person who works as an insurance agent speak to the class concerning: - the different types of insurance (i.e., auto, health, life) - why insurance is necessary. HAVE SEVERAL STUDENTS RESPONSIBLE FOR TAKING NOTES ABOUT INSURANCE. 2. Have students: a. Name and define at least three different types of insurance. b. Explain why insurance is necessary. 3. Have several students research the different types of insurance. When the research is complete, they present their findings to the class. 4. Have students roleplay two phases of an insurance agent's business: a. An insurance agent explaining various types of insurance to some prospective customers. b. The insurance agent years later helping the same customers with health insurance or automobile insurance claims, or updating their life insurance, etc. (The maintenance portion of the business.)

RESOURCES

INSURANCE - LEVEL 4 (5, 6)

STATE ADOPTED TEXTUAL RESOURCES:

Senesh, Lawrence. "American Way of Life" (Grade 5), Our Working World. Science Research Associates.

Teacher's Resource Guide:
Chapter 19

VI. ACTIVITIES

LEVEL 4 (5, 6)

C. Consumer Education Topics

6. Savings

The student will explain why savings are necessary to an economic system where economic growth is an important goal.

NOTES TO THE TEACHER	ACTIVITIES
This section is easily incorporated with the Free Enterprise section to name one way that capital is generated. The students can prepare questions before the speaker's visit.	1. Have a person who is a banker or an investment broker speak to the class about why savings are necessary for economic growth. HAVE SEVERAL STUDENTS RESPONSIBLE FOR TAKING NOTES ON SAVINGS. 2. Have students roleplay or write and illustrate short stories or booklets about two different communities: WISEVILLE: Has a well-organized, conscientious program of savings. Over the years Wiseville has prospered and has been able to begin new businesses and increase the public services available. FOOLISHTON: Started as a prospering industrial city but no one in the city was concerned with any type of savings program. Over the years the types of industry in Foolishton have been less and less in demand. Businesses have shut down and many residents have moved to cities with "more of a future." 3. Have several students research how and why savings are important to economic growth. When research is complete, they present their findings to the class.

RESOURCES

SAVINGS - LEVEL 4 (5, 6)

STATE ADOPTED TEXTUAL RESOURCES:

Senesh, Lawrence. "American Way of Life" (Grade 5), and "Regions of the World" (Grade 6), Our Working World. Science Research Associates.

Teacher's Resource Guide:
Chapters 8, 11, 22 (Grade 5)
Chapters 9, 11, 12, 13 (Grade 6)

VI. ACTIVITIES

LEVEL 4 (5, 6)

C. Consumer Education Topics

7. Taxes

The student will distinguish between different common types of taxes paid by the consumer and identify which are state and which are federal taxes.

NOTES TO THE TEACHER	ACTIVITIES
Students can prepare questions before the speaker's visit. COMMON TYPES OF TAXES: SOCIAL SECURITY (Federal Tax) INCOME TAX (Federal Tax - Some states also have a state income tax, i.e., California and Massachusetts.) SALES TAX (State Tax) PROPERTY TAX (City or County Tax) GASOLINE TAX (State Tax) INHERITANCE TAX (Federal Tax) ESTATE TAX (Federal Tax) CIGARETTE TAX (State Tax) LIQUOR TAX (State and Federal Tax) RESTAURANT TAX (State Tax) HOTEL TAX	1. Have a Certified Public Accountant or a Tax Lawyer speak to the class concerning: - What different types of taxes exist which the general public pays. - Which taxes are state and which are federal taxes. - What happens to the tax money collected. HAVE SEVERAL STUDENTS RESPONSIBLE FOR TAKING NOTES ON TAXES. 2. Have several students research what various types of taxes exist which the general public pays. Each type of tax should be defined and identified as a state or federal tax. The students should also compile a list of uses for state and federal tax monies. When the research is complete, they present their findings to the class. 3. Have several students demonstrate (through illustrations, dioramma, etc.): - Where tax monies might come from (i.e., INCOME TAX) - Who collects it (i.e., Federal Government) - How it might be used This type of demonstration should be done for at least one state collected tax and at least one federally collected tax. 4. SUPPORTING CONCEPT: Governmental agencies do not usually sell the goods and services they produce. They get the money that they need by collecting taxes from people and businesses. The people have to decide how high they want their taxes to be, what kind of taxes they want to pay, and which goods and services they want government agencies to provide.

Continued---

NOTES TO THE TEACHER	ACTIVITIES

4. VOCABULARY:

GOODS	STATE
SERVICES	PROPERTY TAX
LOCAL	INCOME TAX
COUNTY	SALES TAX

RELATED ACTIVITIES:

Play a game such as the following:

What if every family had to buy its own highway?

What if every family had to buy its own fire truck?

What if every family had to buy its own baseball field?

Have the children draw imaginative pictures about what would happen if government agencies charged for goods and services they now give away free.

What if the criminal had to pay the policeman?

What if the pupils had to pay the teacher?

What if people with fires had to pay the firemen?

Have the children ask parents about the taxes they pay. List the taxes on the bulletin board.

Ask the principal to explain to the class where the school gets its money and what it is used for. Discuss whether the school could use more money. Do the taxpayers want to pay higher taxes so that the school can have more money?

Divide the class into federal, state, and local committees. Each committee reports on the taxes it receives and on the goods and services it produces. (Generally, PROPERTY TAXES go to local governments and schools; SALES, INCOME, and AUTO TAXES to state governments; INCOME and SOCIAL SECURITY TAX to the federal government.)

VI. ACTIVITIES
(Continued)

LEVEL 4 (5, 6)

NOTES TO THE TEACHER	ACTIVITIES
	4. Discuss why people pay taxes to hire people to tell them things such as: "You cannot drive your car without a license!" "You cannot build a house unless you get a building permit!" "You must send your child to school unless he is sick!" "You cannot have an unlicensed dog!" "You must obey the traffic light!"

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RESOURCES

TAXES - LEVEL 4 (5, 6)

STATE ADOPTED TEXTUAL RESOURCES:

Senesh, Lawrence. "American Way of Life" (Grade 5), and "Regions of the World" (Grade 6), Our Working World. Science Research Associates.

Teacher's Resource Guide:
Chapters 6, 7, 19, 24 (Grade 5)
Chapters 4, 12, 13 (Grade 6)

"People and Change" (Grade 6), Social Science Series. Silver Burdett.

Chapter 8 - Lesson 5

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